The Race to Fusion Energy

June 2024

Fusion, the process that powers stars like our Sun, promises an inherently **safe**, **near-limitless clean electricity** source for the long term, using small amounts of fuel that can be sourced worldwide from inexpensive materials.

Once realized, fusion energy will be abundant, economic, clean, safe, and globally deployable. Fusion energy will open limitless opportunities for revolutionary advancements in human civilizations.

To put in perspective: all the atomic energy stored in 1g fusion material can power NYC peak demand for 10s, assuming 100% system efficiency.

Inspirations: https://understand-energy.stanford.edu/energy-resources/nuclear-energy/nuclear-fusion

Summary

A few words on fusion technology

The science is well understood

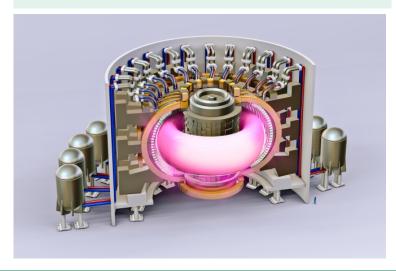
• Fusion is conceptualized in the 1920s

There is a popular way of doing things

- **D-T** fusion is the most popular approach
- Tokamaks are still the favorite design for startups

Fusion is an engineering challenge

- Startups are racing to design the best reactor for energy generation
- Everyone is building a demo reactor



The market and the fusion business

The market is (perhaps overly) optimistic

- Lots of public & private funding (~\$4bn in the US).
- Demonstrated demand as AI revolution unfolds.
- Aggressive timelines for commercialization.

Business models are simple

- Build a commercially reactor, produce electricity
- Sell peripheral technologies or systems

Big economic uncertainty exists

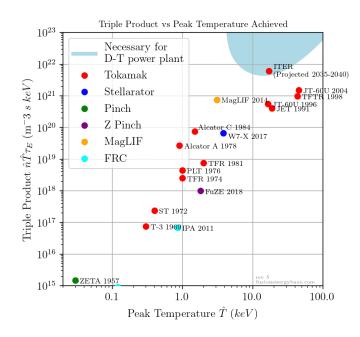
• No one can predict its CAPEX and OPEX yet.

Cumulative investment in nuclear fusion, Q1'20-Q1'24 (\$bn)



Questions to ask every fusion startup

Where is your triple product at? What is your plan to increase Q?



$$Q^* = \frac{Fusion\ Power}{Power\ Injected}$$

Nuclear Fusion History

Brief History of Fusion Energy

Theoretical Foundations & H-bomb

1920s: Arthur Eddington proposes hydrogen fusion as energy source for stars.

1951: First H-bomb test demonstrates uncontrolled fusion detonated by the US at Marshall Islands in the Pacific Ocean.

Magnetic Confinement Fusion

1958: Soviet scientists introduce the Tokamak design.

1968: T-3 Tokamak achieves significant milestone with temperatures and confinement times.

1970s: Major tokamak projects like JET (Joint European Torus) and TFTR (Tokamak Fusion Test Reactor) are built.

Inertial Confinement Fusion

1960s: Concept of inertial confinement fusion (ICF) proposed.

1972: First successful ICF experiment at Lawrence Livermore National Laboratory.

2000s: National Ignition Facility (NIF) becomes operational, focusing on achieving ignition.

The present and future

Recent News

November 2021: Sam Altman invests \$375 million into Helion Energy.

December 2022: Lawrence Livermore National Lab's NIF first achieved net energy gain (a.k.a. ignition).

May 2023: Microsoft signs PPA with Helion Energy to purchase electricity from Helion's first fusion plant in 2028

2020-2024: Billions are being poured into fusion...

Is fusion energy forever 50 years away or are we already at the doorstep of infinite clean energy?

Endeavors to pursue fusion energy



50+ countries

Involved in research on plasma physics and nuclear energy technology development

ITER

35 countries collaborating build the world's largest fusion reactor

\$4.1 Billion

Cumulative investment in fusion up to Q1'24



9 national labs

Involved in fusion research

50 universities

Conducting fusion research

40+ private companies

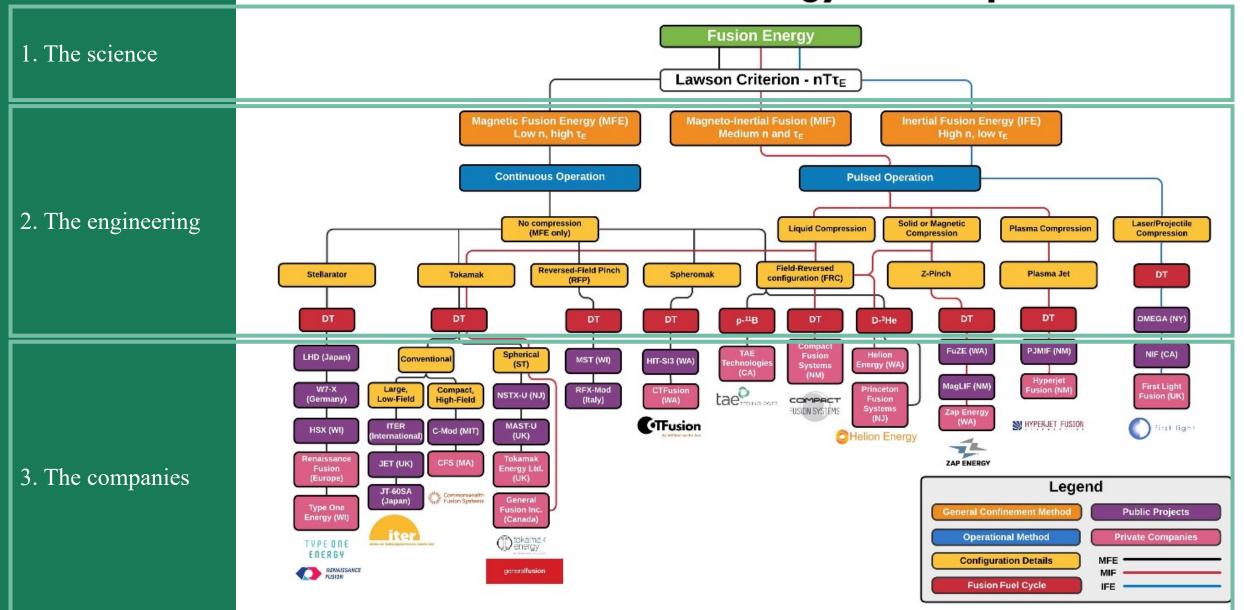
In the fusion space

\$50 million

Investment from US Government into private ventures

Roadmap

Partial Fusion Energy Landscape



NRC.gov: https://www.nrc.gov/docs/ML2102/ML21026A315.pdf

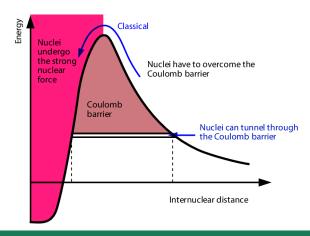
What is Fusion?

Fusion, the process that powers stars like our Sun, promises an inherently safe, near-limitless clean electricity source for the long term, using small amounts of fuel that can be sourced worldwide from inexpensive materials.

Nuclear Energy	What it is
Fusion	Combining lighter atoms to form a heavier one
Fission	Splitting a heavier atom into lighter ones

Fusion fuel is **abundant** and extremely **energy dense** <insert example>.

However, the most difficult part of fusion is overcoming the electromagnetic force to fuse positively charged protons (aka getting over the coulomb barrier).



Fusion Reactions

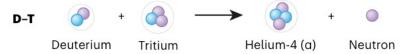
Fuel Mix

Fusion, where?	What reaction(s) typically
In the sun 🖲	Proton + proton
On earth	Heavier H isotopes like D, T

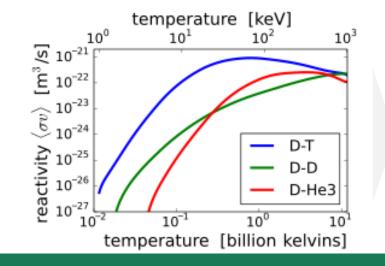
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+ {}_{3}^{3}T \rightarrow {}_{2}^{4}He \quad (3.52 \text{ MeV}) + {}_{0}^{0} \quad (14.06 \text{ MeV})
                                        (1.01 \text{ MeV}) + p^+ (3.02 \text{ MeV})
                                                                                                                         50%
                          \rightarrow \frac{3}{2}He ( 0.82 MeV) + n^0 ( 2.45 MeV)
                                                                                                                         50%
        ^{2}D + ^{3}He \rightarrow ^{4}He  ( 3.6 MeV) + p<sup>+</sup> ( 14.7 MeV)
                                                              + 2 n^{0}
                                                                                                    + 11.3 MeV
(5) {}_{2}^{3}\text{He} + {}_{2}^{3}\text{He} \rightarrow {}_{2}^{4}\text{He}
                                                                                                    + 12.9 MeV
                                                                                                    + 12.1 MeV 57%
                          \rightarrow {}_{2}^{4}\text{He} ( 4.8 MeV) + {}_{1}^{2}\text{D} ( 9.5 MeV)
(7i) ^{2}_{1}D + ^{6}_{3}Li \rightarrow 2 ^{4}_{2}He + 22.4 \text{ MeV}
                         \rightarrow <sup>3</sup>He + <sup>4</sup>He
(7ii)
                                                                                                    + 2.56 MeV
                                                                                                     + 5.0 MeV
                                                                                                     + 3.4 MeV
(8) p^+ + {}_{3}^{6}Li \rightarrow {}_{2}^{4}He ( 1.7 MeV) + {}_{2}^{3}He ( 2.3 MeV)
(9) {}_{2}^{3}\text{He} + {}_{2}^{6}\text{Li} \rightarrow 2 {}_{2}^{4}\text{He} + p^{+}
                                                                                                    + 16.9 MeV
(10) p^+ + {}^{11}_{5}B \rightarrow 3 {}^{4}_{2}He
                                                                                                    + 8.7 MeV
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Deuterium-Tritium Fusion

Deuterium-Tritium fusion is the **most promising** hydrogen fusion reactions. ${}_{1}^{2}D$ can be found in the ocean, and ${}_{1}^{3}T$ can be synthesized from Li blankets in the fusion reactor.



Alternative fusion reactions are deuterium-deuterium fusion, deuterium-helium-3 fusion, proton-boron fusion, etc. It also produces a free neutron, which we can use for tritium breeding using a lithium breeder blanket, so the intent is we can produce self-sustaining tritium within the chamber.

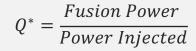


D-T fusion has the largest reactivity (reaction cross section/probability) due to fewer nuclei, higher reactivity at lower conditions, higher energy output

It takes a few steps for a fusion plant to keep the lights on...



Energy Gain Factor





Initial Fusion Reaction

Inject fuel, heat up fuel.

Goal: Achieve extremely high temperature (100 million Kelvin) and pressure (20 billion atm) to supercharge the internal energy of atoms in the fusion fuel, creating a fusion plasma.

Why: to bring atomic nuclei so close that they penetrate the coulomb barrier, produce strong **interaction force**, and therefore, release a large amount of energy (ΔE) .



Net Energy Gain

 $Q^* \ge 1$

Energy output from fusion exceeds the energy input $(Q^* \ge 1)$, as described by the **Lawson Criterion**, which compares the rate of energy generation vs dissipation via radiation and conduction; it is a triple product of high pressure (ensure plasma density), temperature (more energy), and high confinement time (τ_E , time for which plasma retains energy before losing it to the surroundings) dictate if the rate of fusion energy gain surpasses the rate of energy dissipation via radiation and conduction.

Pressure × Temperature × Confinement Time



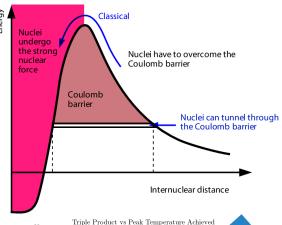
Self Sustaining/Ignition

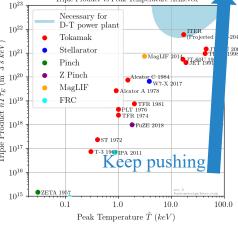
 $Q^* \gg 1$

After achieving net energy gain, self-sustaining reaction requires fusion to produce more energy than (1) energy dissipation and (2) energy required to maintain Lawson Criterion.

 $Q > 5^{[1]}$

Specifically, we could manipulate (1) temperature (RF heating, ECRH, NBI), (2) density (control injection rate and location), (3) increase energy confinement time, (4) alpha particle self heating, etc.



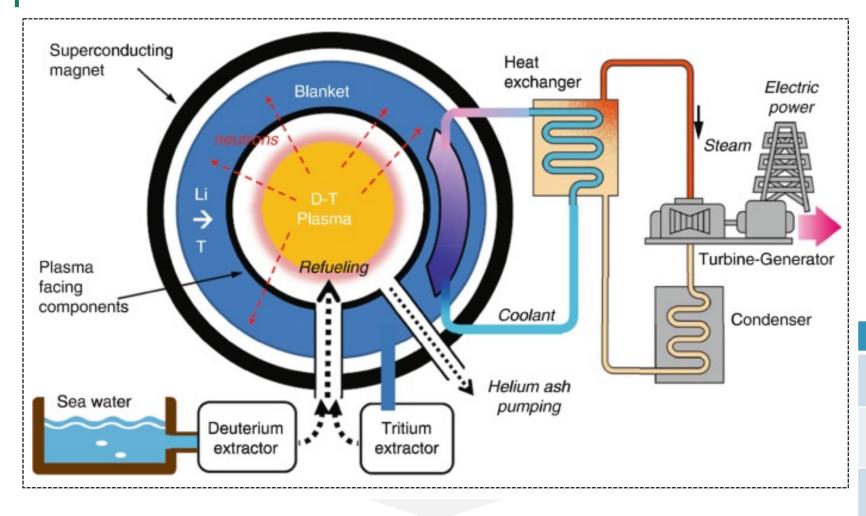


Do we need self sustaining reactions in IC

Is pulse generation ICF specific, and conti generation MCF specific?

To further increase Q, do we need to further energy in system?

Fusion Reactor Archetype & Key Metrics



What systems are here, generally

- Fusion fuel cycle system
- Reactor chamber
- Thermal cycle

Fusion Energy "Breakevens"

Terms	What it means
Scientific Breakeven	$Q^* \ge 0$
Engineering breakeven	Fusion power can self-power the reactor system.
Economic Breakeven	In addition to above, fusion power plant can sell electricity to the grid.

A spectrum of reactor attempts will optimize different factors of the **Lawson Criteria**:

Pressure × Temperature × Confinement Time

Reactors aim to "confine" the fusion plasma to achieve self-sustaining reactions upon ignition; there two extremes of approaches: MCF and ICF

Optimizing

Common Approaches

Pros

Pressure × Temperature × Confinement Time

Magnetic Confinement Fusion (MCF)

Specialized configurations of magnetic fields confine charged particles in the burning plasma

Tokamak Engines

Inner poloidal field coils (primary transformer circuit)

Poloidal magnetic field

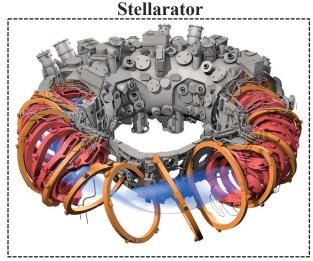
Outer poloidal field coils (for plasma positioning and shaping)

Toroidal field coils

Resulting helical magnetic field

Toroidal magnetic field

Plasma electric current (secondary transformer circuit)



What Symmetrical donut-shaped vacuum chamber, relies on currents inside the plasma, poloidal coil in the middle

Technically simple, cheaper than stellarator, scalability, most researched approach

Cons Risk of instability in plasma, pulsed operations

Example Experimental Advanced Superconducting Facility Tokamak (EAST) ↑ China

Twisted donut vacuum chamber, doesn't rely on currents inside the plasma, no poloidal coil in middle

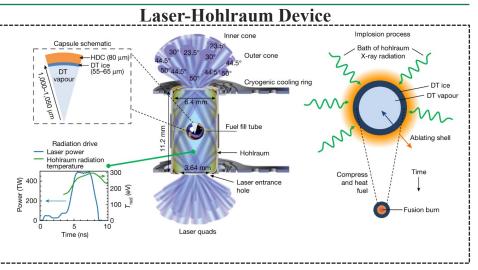
Require less injected power to sustain plasma, greater design flexibility, steady-state operations

Increasing complexity, high manufacture cost

Pressure × Temperature × Confinement Time

Inertia Confinement Fusion (ICF)

An impulsive laser burn while the fuel is confined by its own inertia



Fuel pellets directly hit by lasers, rapidly heated and compressed to achieve ignition

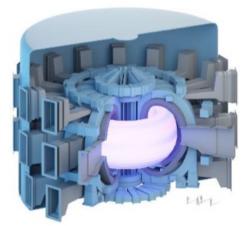
Compact device, doesn't need a steady-state magnetic field

Low laser efficiency(5%-20%), pulsing ignition puts strain on the power grid, low scalability

National Ignition Facility (NIF)

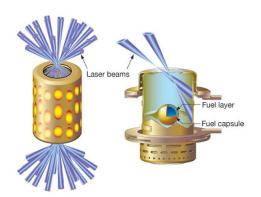
↑ USA

Six fusion reactor designs, by both private firms and governments, using MCF, ICF, or somewhere in between.



Tokamak

(ITER, EAST, and other government facilities) The traditional approach. Superconducting magnetic coils - cooled by liquid helium - hold plasma in a toroidal vessel. The most common plasma confinement approach.



Laser Hohlraum Device

(NIF)

Laser compressing and heating fuel pellets to replicate conditions in the cores of stars.



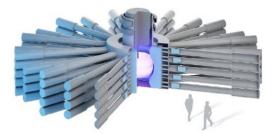
Stellarator

(Wendelstein 7-X)

A complicated twisted loop of magnetic fields confines the plasma easier than Tokamaks. High simulation complexity, high manufacture cost.



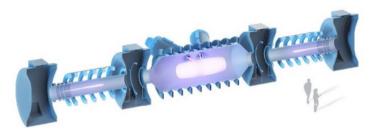
(Tokamak Energy, Commonwealth Fusion and others) High temperature superconductors that generate stronger magnetic fields. More compact, low cost.



Magnetized Target Reactor

(General Fusion)

Pistons rapidly compresses the liquid metal-confined plasma to induce fusion. Low-cost path to fusion*.



Linear (Colliding Beams) Reactor

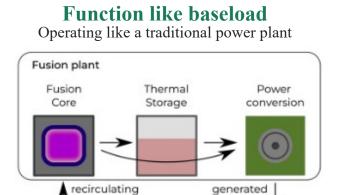
(TAE Technologies)

Packets of plasma fired into a central chamber and rapidly rotate inside a solenoid.

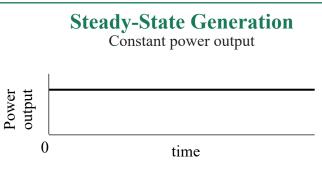
Roadmap to Commercialization

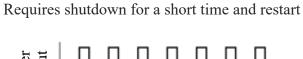
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Grid Integration: fusion plants (assume tokamaks) pulsed and steady-state operation to generate electricity

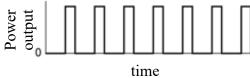


power





Pulsed Generation



Schwartzman et. al 2023: The value of fusion energy to a decarbonized United States electric grid

To fulfill climate promise, fusion needs to have the most beautiful cost curve in history



Schwartzman et. al claims that capital cost for fusion is \$2,700-\$7,500/kW.

Utility-scale solar PV + battery cost is conservatively \$1,800/kW.

Will fusion be able to compete with the cost of wind/solar + storage?

Will the true role of fusion not to solve the climate crisis but advance human civilization?

Notable startups in the space























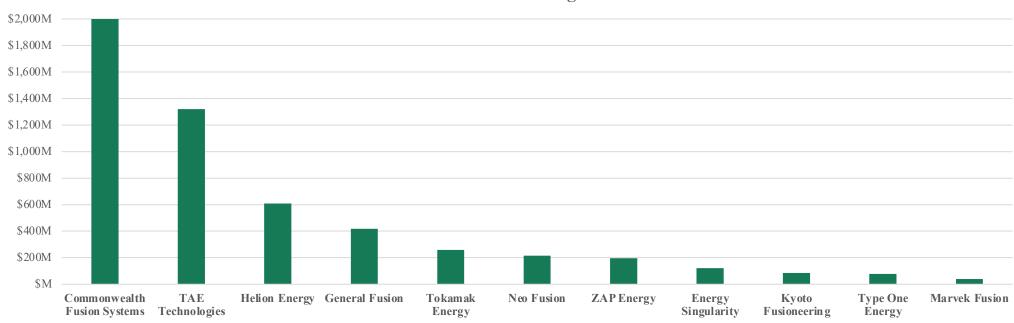
Funding Landscape

11 Startups surveyed **\$5.3 Bn**Total funding raised

\$13.3 Bn
Total valuation

60% Founded after 2010

Fusion Funding



Fusion startups landscape

Most concentration of funding amount and companies

tae Commonwealth Fusion Systems general**fusion** Tokamak Energy (H) HELION HELION **O** tae Neo Fusion TYPE ONE ENERGY **∧** MarvelFusion **MCF MIF ICF** Other **Magnetic Confinement Fusion** Magneto-inertial fusion **Inertial Confinement Fusion**

D-T Fusion is the most popular reaction route.

MCF and MIF are the most popular confinement routes.

Reactor Technology

Fusion Reaction Route

Unknown

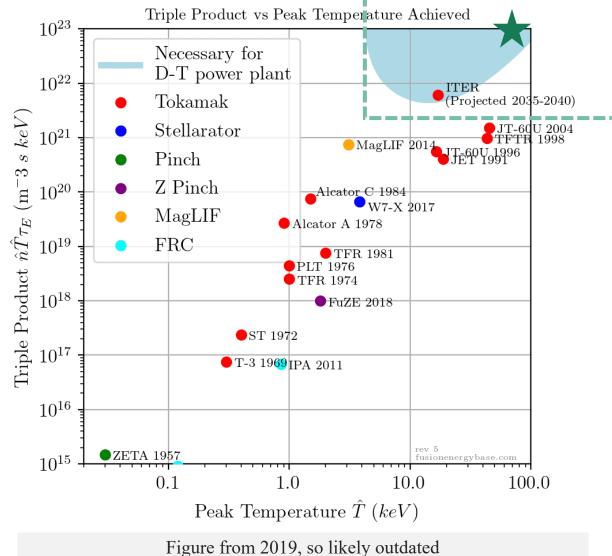
Each Startup has their unique differentiation point, some have business models other than just "building a fusion reactor"

Company	Amount Raised	Reaction Route	Confinement Method	Reactor Tech	Differentiation
Commonwealth Fusion Systems	2,000M	D-T fusion	MCF	•	High temperature superconducting (HTS) magnets that allow for significantly stronger magnetic fields that can enable smaller, high performing systems at significantly lower cost.
TAE Technologies	1,320M	p-B fusion	MCF (FRC)	Magneto-inertial fusion	Reaction route (proton Boron fusion), pulsed fusion system.
Helion Energy	608M	D-He3, D- D, D-T	MCF (FRC)	Magneto-inertial fusion	Reaction route (D-He3), pulsed non-ignition fusion system, direct electricity generation w/o steam cycle
General Fusion	418M	D-T fusion	MCF + ICF	Magneto-inertial fusion	 Liquid lithium around the machine to solve the first wall problem, help tritium rebreeding, and aid heat transfer. Pistons for compression is driven by steam.
Tokamak Energy	258M	D-T fusion	MCF	Compact spherical tokamak with HTS magnets	· · · · · · · · · · · · · · · · · · ·
Neo Fusion	217M	N/A	N/A	N/A	N/A
ZAP Energy	197M	D-T fusion	Current	Z-Pinch	Z-Pinch technology with electric currents (original proposed way to achieve fusion)
Energy Singularity	121M	D-T fusion	MCF	•	High temperature superconducting (HTS) magnets that allow for significantly stronger magnetic fields that can enable smaller, high performing fusion systems.
Kyoto Fusioneering	85M	N/A	N/A	N/A	Design and sell peripheral fusion systems (plasma heating (gyrotron) system, fusion fuel cycle system, fusion thermal cycle system)
Type One Energy	79M	N/A	MCF	Stellarator	Stellarator allows lower energy input to sustain plasma, high-performance computing to optimize reactor design
Marvek Fusion	40M	N/A	ICF	Laser Hohlraum	Nanostructure rods in fusion fuel pallets

Reality Check: Commercial fusion will not come as quickly as we hoped

This is where every startup wants to
be, but no one is here yet.

Milestones	Who has achieved (among startups)
100 million Kelvin in plasma (key milestone)	 Helion Energy (with their reaction route this doesn't mean much) Tokamak Energy
Scientific Breakeven	None (only National Ignition Facility)
Engineering breakeven	None
Economic Breakeven	None



The cutting-edge, new frontier for fusion technologies

- Fusion fuel: Tritium is very scarce and expensive
- Reactor material: to avoid neutrons (first wall, metal blanket, etc)
- Energy conversion: steam cycle (30-40% efficiency) vs convert to direct current
- Value chain: from fuel to peripheral systems to core reactor manufacturing to grid integration
- Breaking the cost curve & finding its best application: powering AI & data centers? How can these reactors be made cheaper and more efficient?

Regulatory and Policy Landscape

• NRC regulatory policy: fusion will not be regulated as fission but will be regulated as a particle accelerator, due to inherent differences in risk levels



Company Analysis – Helion Energy



Information

Year
Founded/HQ
Everett, WA

Description
Plasma accelerator to harness fusion energy

Employees
213

Technical Fundamentals

D-He3 Fusion	 Pro 1: Produces less neutrons, Pro 2: Charged particle can directly be used as electricity. Con 1: Fuel mix much less (50X drop) reactive -> more engineering challenges. Con 2: D-D fusion (produces neutron) is more reactive under ~300 million K
Reactor Analysis	• Due to technical constrains of reaction route, they likely will need neutron blankets just like all other startups with D-T fusion.



Appendix

Fusion Fuel Cycles

D-T

Benefits: The lowest temperature for a fusion reaction to occur; fastest reacting fuel cycle, with very large energy output per reaction. **Challenges:** Tritium is a radioactive element – it does not occur in nature and must be bred; its associated neutrons will accelerate aging in power plant materials.

D-He-3

Benefits: Substantially less radioactivity and production of tritium than with D-T fusion, leading to longer power plant life; most energy output per reaction, largely in the form of energetic protons, which makes direct energy conversion possible.

Challenges: Residual radioactivity; reacts slower than the D-T fuel cycle; no terrestrial He-3 resources – must be mined on the lunar surface.

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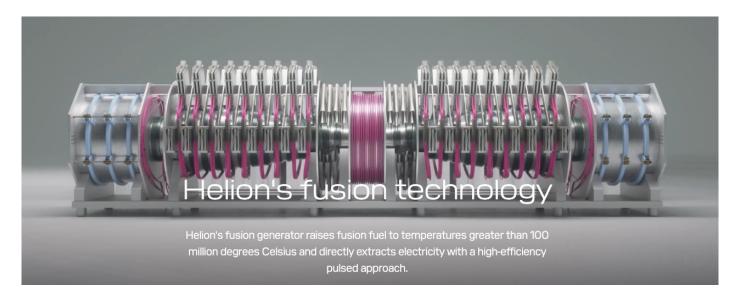
Benefits: Aneutronic (primary reaction yields no neutrons); cleanest, safest, highly abundant, and environmentally friendly fusion pathway; enables scalable, cost-competitive electricity.

Challenges: Requires superior confinement and operational conditions to reach the considerably higher temperatures needed; reacts more slowly than other fuel cycles; less energy output per reaction.

Magnetized target fusion

- It's a combination of MCF and ICF.
- Like MCF, fuel confined at lower density while heating into plasma
- Like ICF, fusion initiated by squeezing target to greatly increase fuel density and temperature
- The key idea is that longer confinement times and better heat retention will let MTF operate
- https://generalfusion.com/fusion-demo-plant/

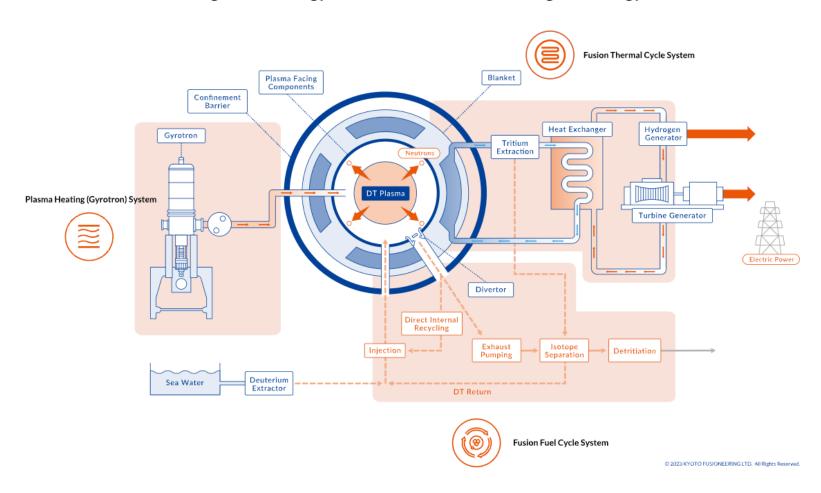
Helion Energy



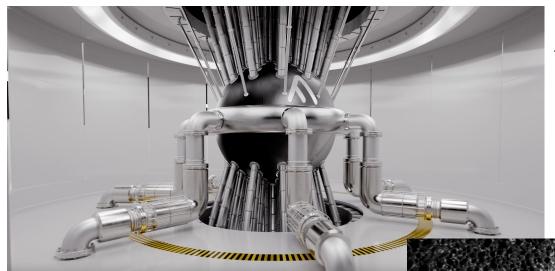
- Formation: Deuterium and helium-3 fuel is heated to plasma conditions. Magnets confine the plasma in a field reversed configuration (FRC)
 - It confines a plasma on closed magnetic <u>field lines</u> without a central penetration. In an FRC, the plasma has the form of a self-stable torus, similar to a <u>smoke ring</u>.
- Acceleration: magnets accelerate two FRCs to 1 million mph from opposite ends of the device they collide in the center.
- Compression: FRCs collide in the center of the system, further compressed by magnetic field until they reach fusion temp: (>100Mil C aka 9 keV)
- Fusion: as they fuse, plasma expands.
- Direct Electricity capture: as plasma expands, it pushes back on magnetic field from machine's magnets. Change in magnetic field induces current (faraday's law) will directed get recaptured as electricity (skip the steam cycle)

Kyoto Fusioneering

Illustrating Fusion Energy Power Plant and Our Enabling Technology Focus



Marvel Fusion GmbH



Laser strips away the electrons in nanostructure rods and the protons get released to hit other parts of the fuel pellet to produce fusion reaction

Tokamak Energy: Compact Spherical Tokamak

1. 更高的等离子体压缩效率

- **磁约束效能**:球形托卡马克由于其更高的纵横比(即短径与长径之比更大),可以在较小的体积内产生更强的磁场,从而更有效地约束等离子体。这种高效的磁约束使得等离子体可以在更小的体积内达到更高的 密度和温度 [oai_citation:1,Status of the Organization](https://www.iter.org/legal/status)。

2. 更高的β值

- **β值**:β值是等离子体压力与磁场压力的比值。球形托卡马克的设计能够支持更高的β值,这意味着它能够在较低的磁场强度下保持等离子体的稳定性。较高的β值有助于提高聚变反应的效率和能量输出 [oai_citation:2,Status of the Organization](https://www.iter.org/legal/status) [oai_citation:3,ITER - Performance - European Commission](https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/iter-performance en)。

3. 结构紧凑, 节省成本

- **设备紧凑性**:球形托卡马克的紧凑设计使得整体设备占用的空间更小,从而降低了建设和维护的成本。这种设计还简化了许多工程和技术问题,如冷却系统和磁体布置 [oai_citation:4,Status of the Organization](https://www.iter.org/legal/status)。
- **材料节省**:由于球形托卡马克需要的磁体体积和材料更少,相对于传统托卡马克,其建设成本和资源消耗更低 [oai_citation:5,ITER Performance European Commission](https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/iter-performance_en)。

4. 提高等离子体稳定性

- **等离子体形状**: 球形托卡马克的等离子体形状更加接近球形,减少了不稳定性的发生。更高的纵横比设计能够更好地控制等离子体中的湍流和其他不稳定性,从而提高了反应的稳定性和可控性 [oai_citation:6,Status of the Organization](https://www.iter.org/legal/status) [oai_citation:7,ITER - Performance - European Commission](https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/iter-performance_en)。

5. 更便于冷却和维护

- -**冷却效率**: 由于结构紧凑,球形托卡马克的冷却系统设计更加简单和高效,有助于有效散热,维持等离子体的高温状态。
- **维护便捷**:设备的紧凑设计使得组件的更换和维护更加便捷,有助于减少停机时间,提高设备的整体运作效率 [oai_citation:8,ITER Performance European Commission](https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/iter-performance_en)。

案例研究: MAST和ST40

- **MAST(Mega Amp Spherical Tokamak)**:位于英国,MAST是一个成功的球形托卡马克实验装置,展示了高效的等离子体约束和较高的β值。
- **ST40**:由Tokamak Energy公司开发的ST40是一个球形托卡马克原型机,目标是在紧凑设计中实现高温等离子体,展示了球形托卡马克在商业化核聚变反应堆中的潜力 [oai_citation:9,ITER Performance European Commission](https://commission.europa.eu/strategy-and-policy/eu-budget/performance-and-reporting/programme-performance-statements/iter-performance_en)。

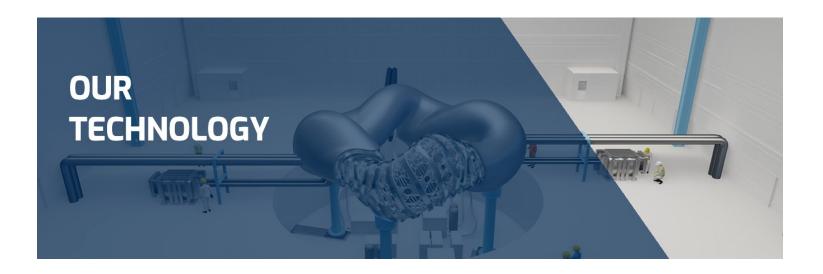
结论

将托卡马克设计成紧凑的球形不仅提高了磁约束效率和β值,还能显著降低成本、提高等离子体稳定性,并简化冷却和维护。这些优势使得球形托卡马克成为未来核聚变反应堆设计的一个更具吸引力的工程解决方案。

参考文献

- 1. [ITER Official Website](https://www.iter.org/)
- 2. [Institute of Plasma Physics, Chinese Academy of Sciences (ASIPP)](http://english.ipp.cas.cn/)
- 3. [Southwestern Institute of Physics (SWIP)](http://www.swip.ac.cn/)

Type One Energy: Stellarator



ZAP Energy



Driving current through the flow creates the magnetic field, confining and compressing the plasma.

A current travels in the z-direction through the plasma. The current generates a magnetic field that compresses the plasma. Pinches were the first method for human-made controlled fusion. The z-pinch has inherent instabilities that limit its compression and heating to values too low for practical fusion. The largest such machine, the UK's ZETA, was the last major experiment of the sort. The problems in z-pinch led to the tokamak design. The dense plasma focus is a possibly superior variation.

Some useful links on fusion science

- https://en.wikipedia.org/wiki/Fusion_energy_gain_factor#cite_note-FOOTNOTEMcCrackenStott200542-18
- https://en.wikipedia.org/wiki/Lawson criterion
- https://en.wikipedia.org/wiki/Fusion_ignition
- https://www.llnl.gov/article/50801/llnls-breakthrough-ignition-experiment-highlighted-physical-review-letters
- https://www.fusionenergybase.com/