

CCS ECONOMIC INTEGRATION ISSUES IN A STEAM POWER PLANT

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The objective of this work is to achieve a detailed analysis regarding integration CCS technology in a steam power plant, highlighting both the technical and economic aspects. Following the 330 MW power plant analysis with CO₂ capture unit and without showed that CO₂ tax plays a very important role, so for a given trading value over 25 Euro/tonne CO₂, becomes profitable CCS technologies.

Keywords: CO₂ tax, electricity price, capture CO₂

1. Introduction

Using industrial scale sustainable fossil fuels will involve the mobilization of substantial financial resources in Europe, in a short period of time. In the view of the European energy strategy 12 coal-fired power plants or natural gas equipped with CCS, 300 MW each, would require at least 5 billion euro's, given current technological costs [1].

The estimated costs for CO₂ capture from production of energy and the estimated costs for further storage can reach 70 euro's per tonne of CO₂, but nevertheless expect technological major improvements through efficiency increasing in new plants and CO₂ capture cost reductions [2,3].

2. Paper contents

Regarding the capital expenditure to capture in the energy there are a lot of factors that affect these costs, namely: plant type (new or existing); plant technology (critical or supercritical parameters); fuel type (lignite, hard coal or natural gas); type of capture technology (post combustion, pre combustion, oxy combustion); solvent type, etc.

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Capital expenditures for CO₂ transport are influenced first by the method of transport chosen: onshore pipelines, offshore pipelines, shipping (including utilities), transportation by tanker trucks, railroad. A second factor defining is the transport distance between the place of CO₂ capture and permanent storage site.

Other factors: pipe wall thickness and material caused by the maximum pressure in line, soil characteristics.

Capital expenditures for CO₂ storage are mainly determined by the location of the field: on shore or offshore.

Other important components are the reservoir type: saline aquifers or depleted oil and gas; the last ones are cheaper than saline aquifers; reservoir size; injectivity; required number of injection wells and not least permeability of the reservoir.

The total cost of CCS, by components are: capture (55 to 80% of total investment), transport (5 to 10% of the total investment and the distance to the storage site), storage (15 to 20% of total investment in depending on storage capacity and providing necessary facilities).

Annual operating cost for the transport of carbon dioxide vary by the length of the pipeline route: for 250 km long pipeline the price is $2.23 \div 2.98$ Euro/tCO₂, for 100 km long pipeline the price is $0.74 \div 1.49$ Euro/tCO₂ [4,5].

Operating expenses for CO₂ storage; from the analyzed documents were considered as part of the cost of electricity, which led to an increase from 4.46 to 9.67 Euro / t CO₂ depending on the selected storage site[4]. Storage costs vary between 1-12 euro / ton CO₂ depending on the selected storage site.

In this article, we have analyzed the influence of the cost of CCS technology integration on electricity cost. In this analysis we considered two variants namely a group of 330MW with and without CO₂ capture plant. The fuel used was coal with a lifetime of 6000 h / year. The second option considered, the group of 330 MW was equipped with post-combustion CO₂ capture based on primary amine with CO₂ capture efficiency of the process by 85%.

3. Results and discussion

Transport of CO₂ from the power plant to a permanent storage site was made in the pipe at a distance of 100 km, and storage was made in a saline aquifer. Similar studies on CCS technology and costs involved have been made in the work of Rubin E.S. [6].

In the case of 330 MW analyzed group, it was considered an investment of 300 Euro / kW representing only additional CO₂ cost containment facility is about an existing group [7].

Table 1

Main technical data				
Group of 330 MW				
Nr. crt.	TECHNICAL INFORMATION	U.M.	V1-330MW without capture CO ₂	V2-330MW with capture CO ₂
1	Electric power	MW	330	330
2	Annual operating	h/year	6000	6000
3	Gross electricity production	MWh/ year	1980000	1980000
4	Net power output	MW	310	295
5	Net electricity delivered	MWh/ year	1841400	1787940
6	Fuel annual consumption - Lignite (100 %)	tons/ year	2500000	2500000
7	The Annual quantity of limestone	tons/ year	62640	62640
8	Annual quantity of MEA	tons/ year	n.a	4000
9	Annual Fossil fuel CO ₂ emissions	t CO ₂	2200000	2200000
10	CO ₂ emissions resulting from desulfurization	t CO ₂	28188	28188
11	Annual emissions of CO ₂ captured	t CO ₂	n.a	1893960
12	Annual emissions of CO ₂ retained after capture	t CO ₂	2228188	334228

Table 2

Economic Data				
Nr.crt.		U.M.	V1-330MW without capture CO ₂	V2-330MW with capture CO ₂
1	Specific investment i _{sp}	€/kW	1200	1500
2	Fixed operating and maintenance cost c _{0+M,f}	€/kW	4	7
3	Variable operating and maintenance cost c _{0+M,v}	€/MWh	10	13
4	Fuel price	€/t	20 ÷ 30 [8]	
5	Tax CO ₂	€/t	15 ÷ 60	
6	Price CaCO ₃	€/t	71,7	
7	Cost MEA,DEA,TEA	€/t	1400-1800 [8,9]	
8	CO ₂ transport cost	€/t	(0,5-4)1,5 [4]	
9	CO ₂ storage cost	€/t	(1-12) 4 [4]	
10	Consumption on MEA between 1-4kg MEA per ton CO ₂ [10,11]			

Table 3

Calculation formulas		
Nr.crt.	Types of costs	Formula
1	Fuel costs	$C_B = P_c \times B_{an}$
2	Investment costs	$I = i_{sp} \times P_B$
3	Amortization costs	$C_I = \frac{I}{nr.an}$
4	Fixed operating and	$C_{0+M,f} = c_{0+M,f} \times P_B$

	maintenance cost	
5	Variable operating and maintenance cost	$C_{0+M,v} = C_{0+M,v} \times E_{an}^P$
6	Total costs without capture CO ₂	$C_{T,ref.} = C_B + C_I + C_{0+M,f} + C_{0+M,v} + Tax_{CO_2}$
7	Total costs with capture CO ₂	$C_{T,CCS} = C_B + C_I + C_{0+M,f} + C_{0+M,v} + C_T + C_S + Tax_{CO_2}$
8	Energy cost	$C_{EE} = \frac{C_{TOT}}{E_{an}^{net}}$

The main technical and economic indicators that influence the final price of electricity are: greenhouse certificate costs, emission factor of fossil fuel, fuel price, new power plant efficiency, reduce power plant efficiency through the implementation of CCS technologies, CO₂ capture efficiency, additional cost of investment in CCS, recover the investment, CO₂ transport costs, CO₂ storage costs. Information on the investment and operating costs for capture, transport and storage of carbon have at present as source studies and pilot projects.

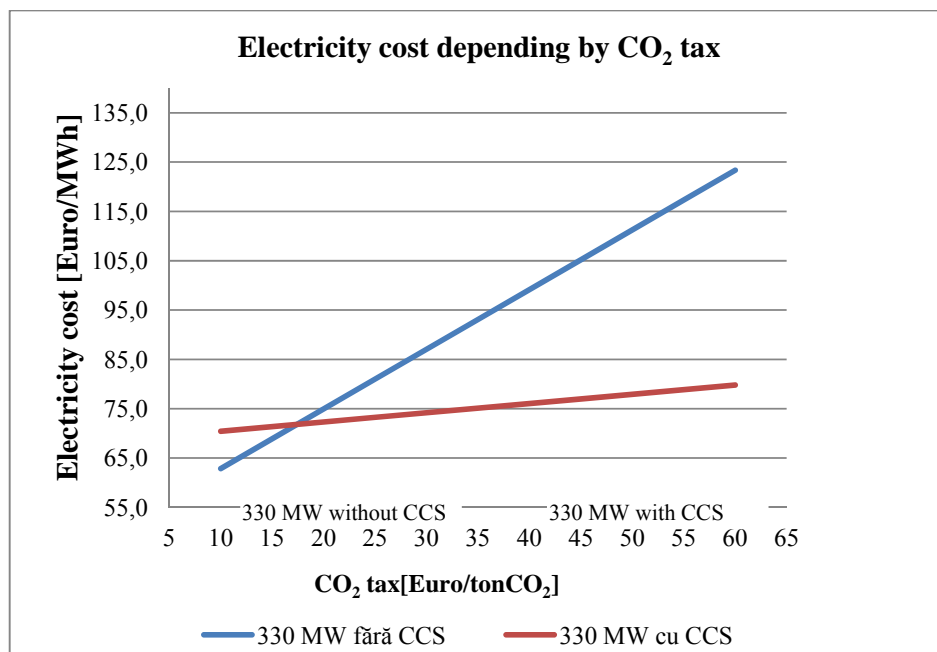
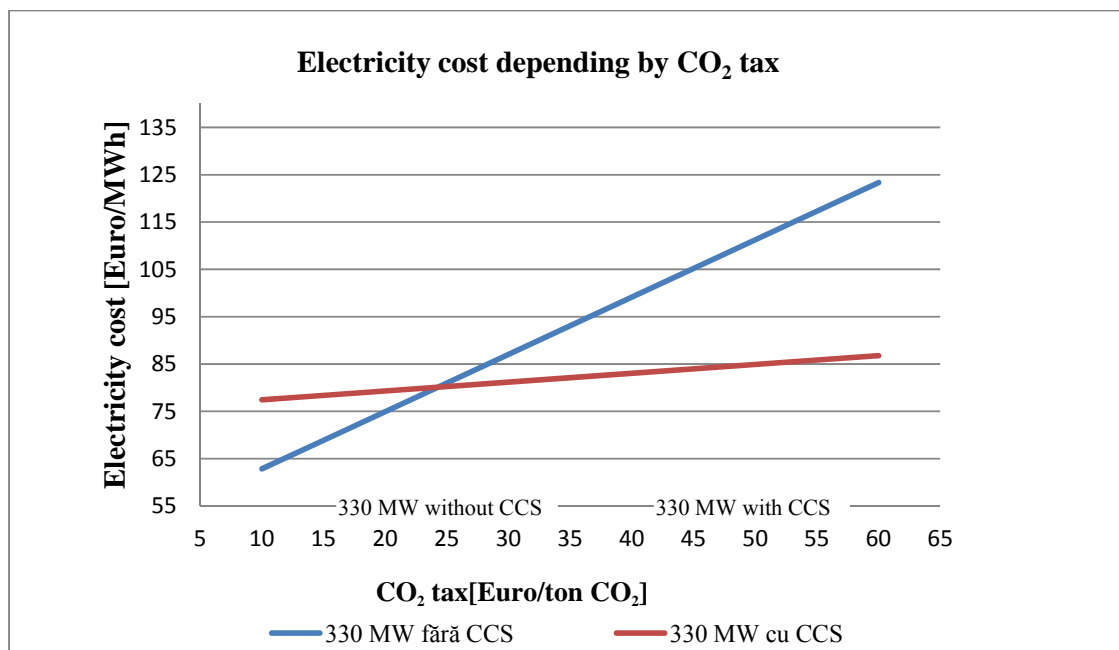
The carbon tax plays an important role in the decision to equip or not a power plant with CO₂ capture. The CO₂ tax amount is higher the more profitable it becomes to opt for integration CO₂ separation unit, this is reflected in the cost of electricity, which becomes larger when the CO₂ tax is paid.

Further was presented the factors that influence the amount of CO₂ tax for wich energy produced without CO₂ capture cost is higher than the energy produced with capture installation.

In the Fig. 1 was observed shift of the critical point for which the amount of CO₂ increases from 20 to 25 Euro/ton CO₂ and the cost of electricity grew by 14% compared to the version above.

In Fig. 2 was analyzed variation in the cost of CO₂ tax, provided that account is taken of the costs of transport and storage of CO₂.

In Fig. 3 was analyzed variation of CO₂ tax on the price of fuel which was varied between 20 and 35 Euro/ton coal without taking into account the costs of CO₂ transport and storage. The increase of fuel prices lead to a significant increase in cost of electricity.

Fig.1. Electricity cost depending by CO₂ tax for a group with and without capture CO₂Fig.2. Electricity cost depending by CO₂ tax for a group without capture CO₂ and with CCS

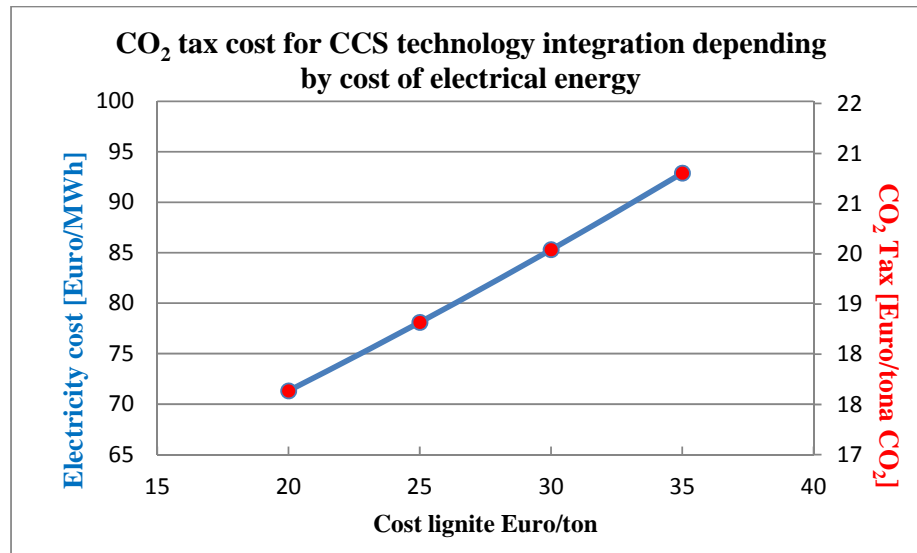


Fig.3. CO₂ tax cost for CCS technology integration depending by cost of electrical energy, if fuel prices grown

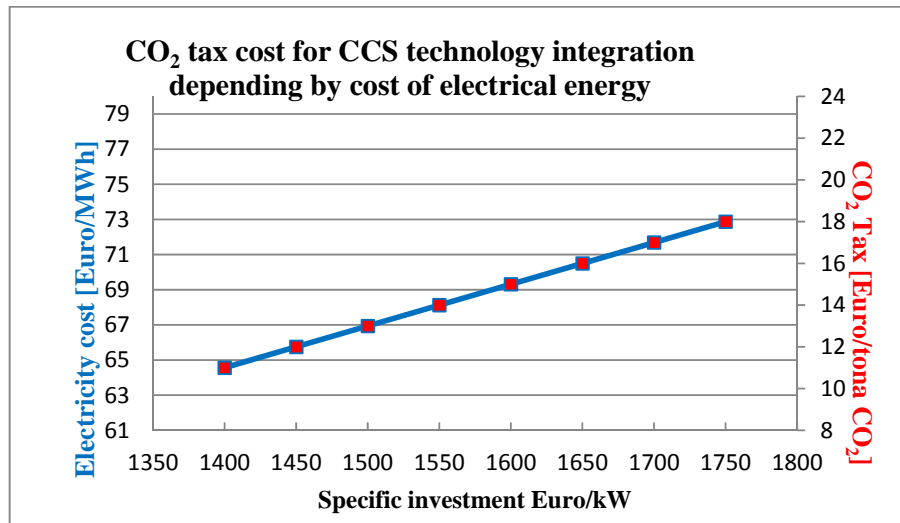


Fig.4. CO₂ tax cost for CCS technology integration depending by cost of investment CCS technology

In the case of investment variation (Fig. 4) in CO₂ capture technology was observed that an increase of 3.5% on investment from 1400-1450 Euro/kW, led to a sensible change of energy cost with 3.12% and increase of 9% CO₂ tax.

The amine type is another important parameter that influences the cost of electricity for CO₂ capture unit integration as directly affects the amount of energy that is produced by energy consumption for solvent regeneration process.

Depending on the type of amine, primary, secondary, tertiary or mixture the amount of energy necessary for the regeneration of the solvent may vary as shown in Fig. 5. and 6.

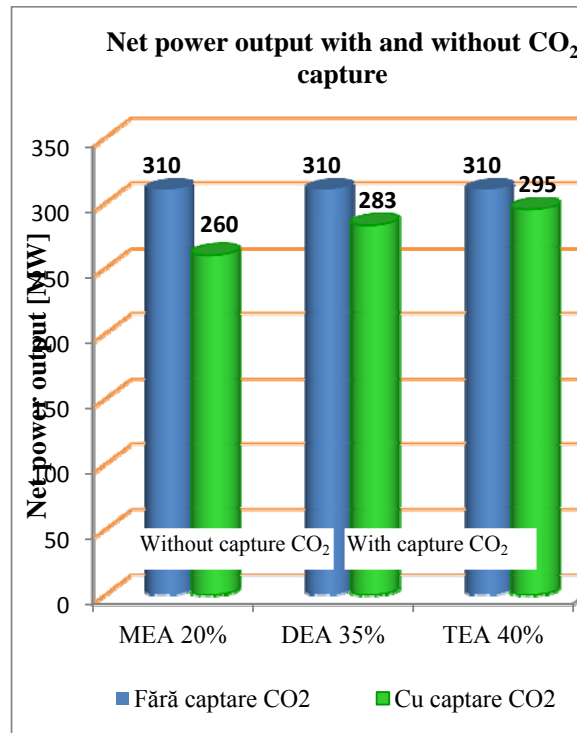


Fig.5. Net power decrease for a group 330 MW equipped with CO₂ capture plant

In Fig. 5 is presented the influence which amine type can have on electricity price but also on CO₂ tax for which the cost of energy produced in a power plant with CO₂ is higher than that produced in a plant equipped with CCS.

Choosing a type of amine requiring a high energy 4.2 GJ/tCO₂ (MEA 20%) for the regeneration of the solvent will result in a lower production of energy at a higher cost, while establishing a higher CO₂ price of 23 Euro/tCO₂ certificate.

This value of CO₂ tax is the price that would be paid for CO₂ emissions if the system is not equipped with CO₂ capture plant and the cost of energy from start to exceed the cost of energy produced in the same plant fitted with CO₂ capture plant.

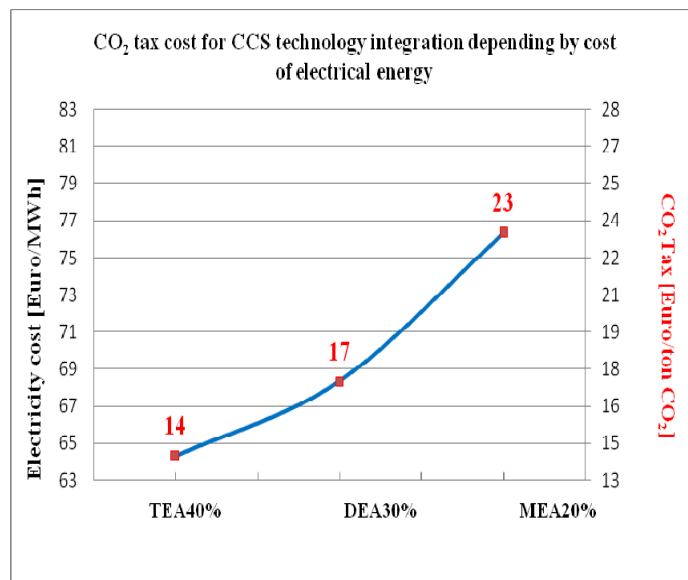


Fig.6. The influence of amine type on the cost of electricity and the CO₂ tax

Energy consumption for solvent regeneration significantly affect the cost of electricity so when we use TEA at 40% which has a very low energy consumption of 1,2 GJ/CO₂ TEA at DEA 30% with a consumption of 2,8 and 4,2 for MEA20% energy cost increases by 6.25% and 20% reaching 76 Euro / MWh.

4. Conclusions

In conclusion the rising of fuel price is the main factor which influence the cost of electric energy both in the case of a plant equipped with CO₂ capture installation but also in the other case when the plant is not equipped with capture installation. Increasing the price with 75% from 20 to 35 EUR/t lignite led to increased energy cost with 32% reflected also in the cost of CO₂ tax which also increased from 18 to 21 euro/ton.

Investment in CO₂ capture unit represent a growth factor whose increasing by 350 EUR/ KW cause an increase in the cost of energy by 10% ranging from 64-71 Euro / MW, at the same time causing an increase in CO₂ tax cost from 11-18 Euro/tCO₂ for the cost of energy from a unit without CO₂ capture is greater than the cost of product in a facility with CO₂ capture.

Solvent cost is not a factor that greatly influence the energy cost so it is recommended to use solvents more expensive but with better properties. Following the study, tertiary amines (40% TEA) turned to have the lowest regeneration energy consumption.

Energy consumption for solvent regeneration proved to be a very important factor that can influence up to 20% cost of electrical energy and therefore CO₂ tax cost.

CO₂ tax price plays a very important role in determining the cost of electrical power and the decision to equip a plant with CO₂ retention unit. The critical point for which the amount of CO₂ tax necessary to provide a capture unit are 23 Euro/t CO₂ for primary amine. Increasing CO₂ tax is to encourage and determine to install CO₂ retention unit.

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