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Well-to-Wheels Analysis of Biofuels and Plug-In Hybrids

Michael Wang Center for Transportation Research Argonne National Laboratory

Presentation at the Joint Meeting of Chicago Section of American society of Agricultural and Biological Engineers And Chicago Section of Society of Automotive Engineers Argonne National Laboratory, June 3, 2009

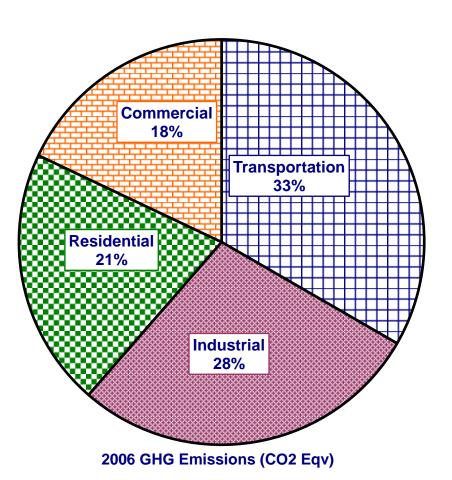


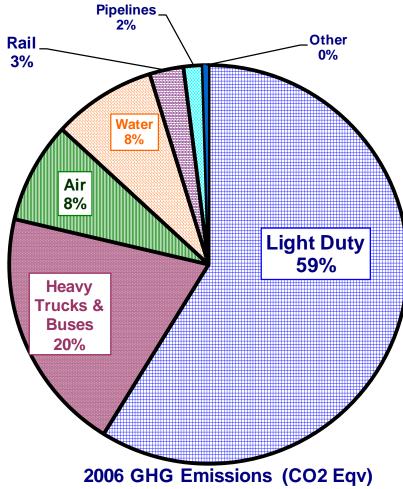
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The Transportation Sector: Dual Challenges, Dual Approaches

- □ Challenges
 - Greenhouse gas emissions climate change
 - ➤ Oil use energy security
- □ Approaches
 - Vehicle efficiency (and transportation system efficiency)
 - New transportation fuels

US Greenhouse Gas Emission Shares by Source

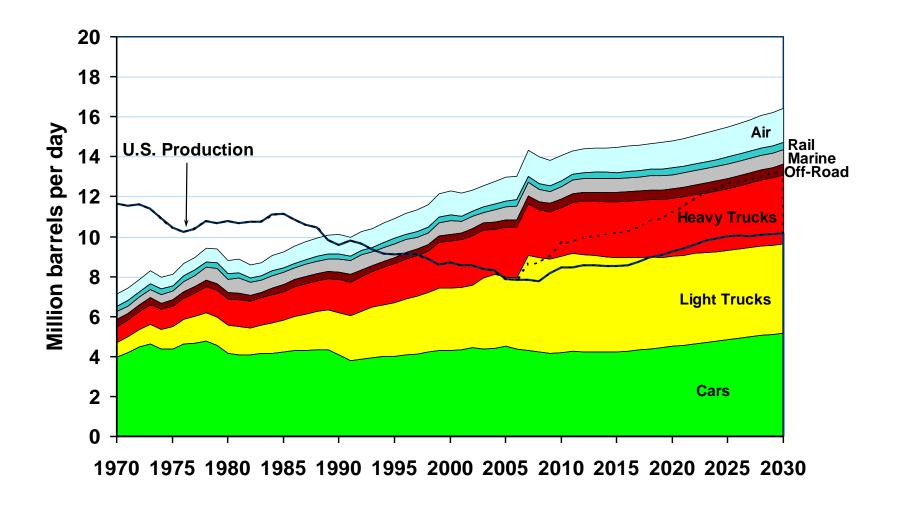




Annual US total GHG emissions are 5.6 GT of CO2e



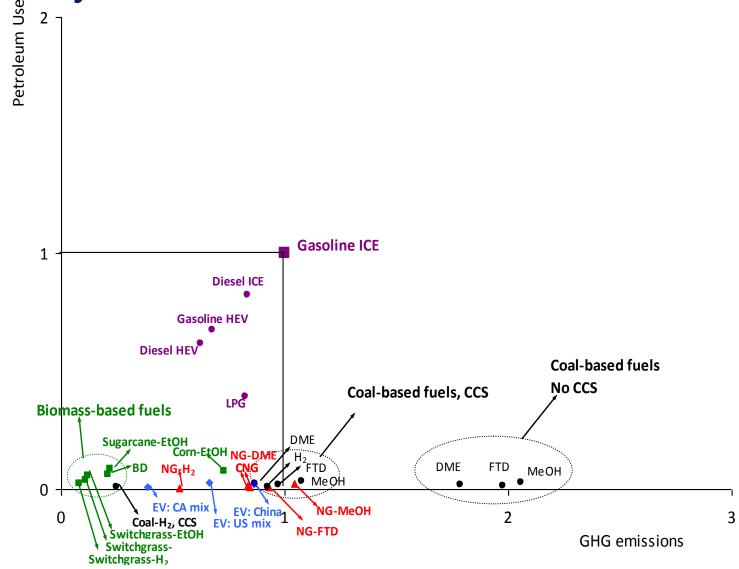
U.S. Petroleum Production and Consumption, 1970-2030



Sources: Transportation Energy Data Book: Edition 27 and projections from the Early Release Annual Energy Outlook 2009.



Coal-Based Fuels Pose a Trade-Off Between Energy Security and GHG Emissions



Life-Cycle Analysis for Vehicle/Fuel Systems Has Been Evolved in the Past 30 Years

- Historically, evaluation of vehicle/fuel systems from wells to wheels (WTW) was called fuel-cycle analysis
- Pioneer transportation WTW analyses began in 1980s.
 - Early studies were motivated primarily by battery-powered EVs
 - Recent studies were motivated primarily by introduction of new fuels such as hydrogen and biofuels
- Pursuing reductions in transportation GHG emissions now demands for intensive and extensive WTW analyses



The GREET (<u>G</u>reenhouse gases, <u>Regulated</u> <u>Emissions, and <u>Energy</u> use in <u>Transportation</u>) Model</u>

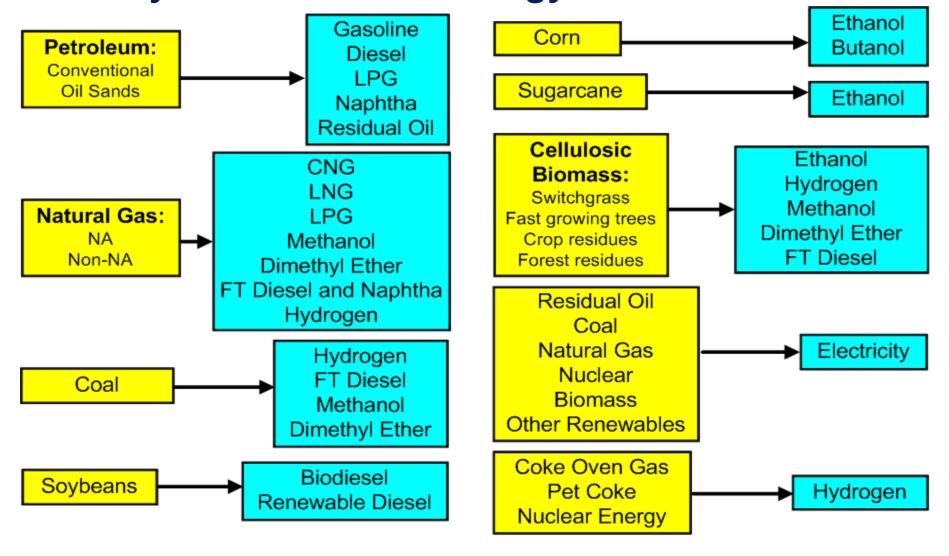
□ The GREET model and its documents are available at Argonne's website at http://www.transportation.anl.gov/modeling_simulation /GREET/index.html

- The most recent GREET version (GREET 1.8c) was released in March 2009
- □ As of Jan. 2009, there were more than 10,000 registered GREET users worldwide



Vehicle

GREET Includes More Than 100 Fuel Production Pathways from Various Energy Feedstocks



GREET Includes More Than 75 Vehicle/Fuel Systems

Conventional Spark-Ignition Vehicles

- Conventional gasoline, federal reformulated gasoline, California reformulated gasoline
- Compressed natural gas, liquefied natural gas, and liquefied petroleum gas
- · Gaseous and liquid hydrogen
- · Methanol and ethanol

Spark-Ignition Hybrid Electric Vehicles: Grid-Independent and Connected

- Conventional gasoline, federal reformulated gasoline, California reformulated gasoline
- Compressed natural gas, liquefied natural gas, and liquefied petroleum gas
- · Gaseous and liquid hydrogen
- Methanol and ethanol

Compression-Ignition Direct-Injection Vehicles

 Conventional diesel, low sulfur diesel, dimethyl ether, Fischer-Tropsch diesel, E-diesel, and biodiesel

Compression-Ignition Direct-Injection Hybrid Electric Vehicles: Grid-Independent and Connected

 Conventional diesel, low sulfur diesel, dimethyl ether, Fischer-Tropsch diesel, E-diesel, and biodiesel

Battery-Powered Electric Vehicles

- U.S. generation mix
- California generation mix
- · Northeast U.S. generation mix
- User-selected generation mix

Fuel Cell Vehicles

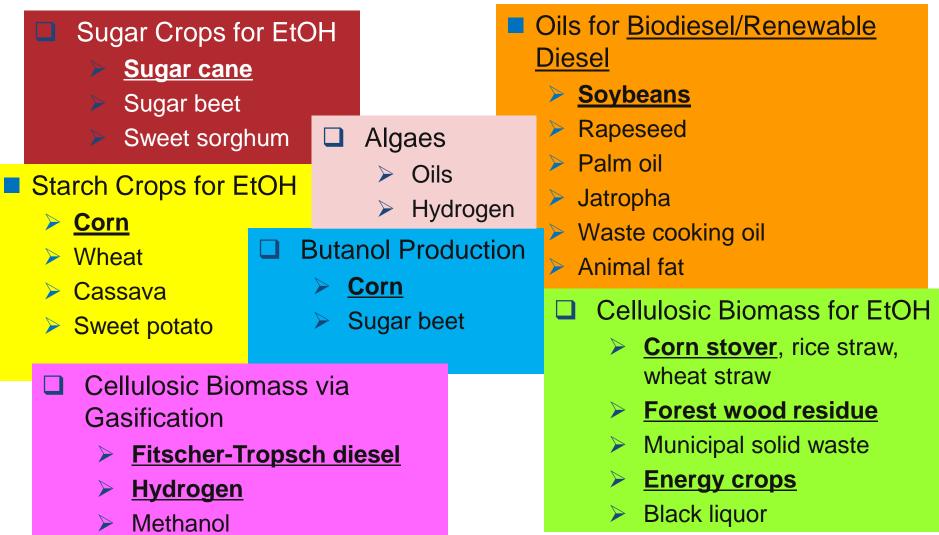
 Gaseous hydrogen, liquid hydrogen, methanol, federal reformulated gasoline, California reformulated gasoline, low sulfur diesel, ethanol, compressed natural gas, liquefied natural gas, liquefied petroleum gas, and naphtha

Spark-Ignition Direct-Injection Vehicles

- Conventional gasoline, federal reformulated gasoline, and California reformulated gasoline
- Methanol and ethanol



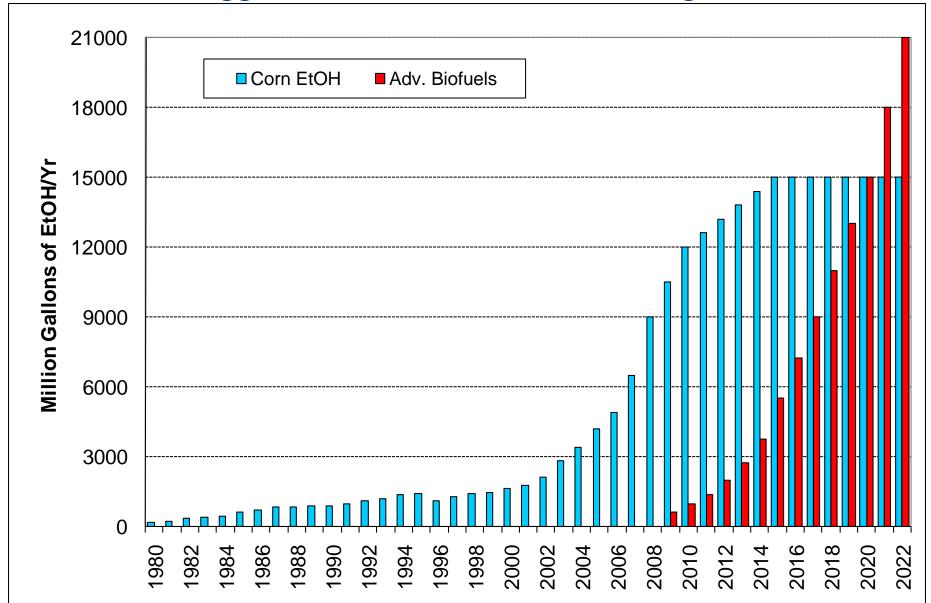
GREET Includes Some of the Potential Biofuel Production Pathways



The feedstocks that are underlined are already included in the GREET model.



The 2007 Energy Independence and Security Act (EISA) Established Aggressive Biofuel Production Targets





The 2007 EISA and Low-Carbon Fuel Standard Development Require Life-Cycle Analysis for Fuels

- □ EISA requires LCAs to be conducted to determine if given fuel types meet mandated minimum GHG reductions
 - ➤ New ethanol produced from corn: 20%
 - Cellulosic biofuels: 60%
 - ➤ Biomass-based diesel (e.g., biodiesel): 50%
 - Other advanced biofuels (e.g., imported sugarcane ethanol, renewable diesel, CNG/LNG made from biogas): 50%
 - > EPA released a notice of proposed rulemaking (NPRM) in early May
- Low-carbon fuel standard development efforts in EU, California, and other states require LCAs for biofuels
- Life cycle analysis includes
 - \rightarrow All major GHGs (CO₂, CH₄, and N₂O)
 - Both production and use of fuels
 - Direct and indirect land use change impacts



California Has Adopted Low-Carbon Fuel Standards (LCFS) in April 2009

- □ 10% reduction in carbon intensity of CA fuel supply pool (in g CO2e/MJ) by 2020
- □ GREET was used to develop fuel-specific carbon intensities
- Purdue's GTAP model was used for land use simulations
- □ Fuel carbon intensity may be adjusted with vehicle efficiency

Adopted Carbon Intensities for Selected Fuels (g CO2e/MJ)

Fuel	Direct Emissions	Land Use or other effects	Total
CA Gasoline	95.86	0	95.86
Midwest Corn EtOH	69.40	30	99.40
CA Corn EtOH, wet DGS	50.70	30	80.70
Sugarcane EtOH	27.40	46	73.40
CA Electricity	124.10	0	41.37
NG-Based H2	142.20	0	61.83



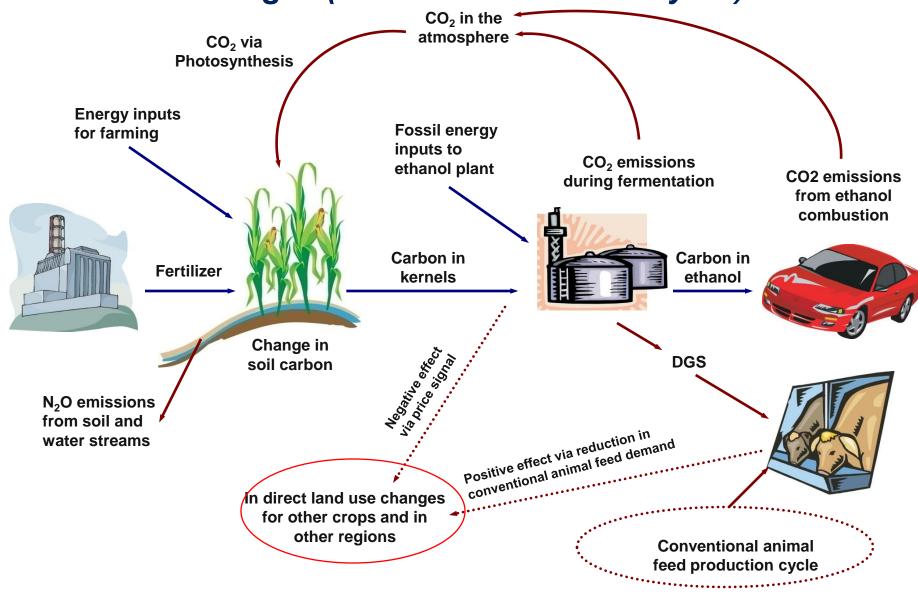
The U.S. EPA Released A Notice of Proposed Rulemaking (NPRM) for EISA RFS2 in May 2009

- A suite of models (including GREET) were used to conduct biofuel LCAs
- Land use change in EPA's NPRM, as well as in CA's LCFS, has been a contentious issue

EPA Estimated Biofuel GHG Changes (Relative to 2005 Gasoline)

	100 yr, 2% Discount	30 yr, 0% discount	EISA Target
Corn EtOH	-16%	+5%	-20%
Sugarcane EtOH	-44%	-26%	-50%
Corn Stover EtOH	-115%	-117%	-60%
Switchgrass EtOH	-128%	-121%	-60%
Soybean Biodiesel	-22%	+4%	-50%
Waste Grease Biodiesel	-80%	-80%	-50%

GHG Benefits and Burdens for Fuel Ethanol Cycle Occur at Different Stages (and With Different Players)





Key Issues Affecting Biofuel WTW Results

- Continued technology advancements
 - Agricultural farming: continued crop yield increase and resultant reduction of energy and chemical inputs per unit of yield
 - Energy use in ethanol plants: reduction in process fuel use and switch of process fuel types
- Methods of estimating emission credits of co-products of ethanol
 - ➤ Distillers grains and solubles (DGS) for corn ethanol: 0-50%
 - Electricity for cellulosic and sugarcane ethanol
 - Animal feed and specialty chemicals for biodiesel
- Life-cycle analysis methodologies
 - > Attributional LCA: CA LCFS
 - Consequential LCA: EPA RFS2
- Direct and indirect land use changes and resulted GHG emissions



Key Steps to Address GHG Emissions of Potential Land Use Changes by Large-Scale Biofuel Production

- ☐ Simulations of potential land use changes
 - So far, general equilibrium models have been used
 - ✓ CA LCFS: Purdue GTAP
 - ✓ EPA RFS2: Texas A&M FASOM and Iowa State FAPRI
 - Significant efforts have been made in the past 16 months to improve existing CGE models
 - More efforts may still be required
- Carbon profiles of major land types
 - Both above-ground biomass and soil carbon are being considered
 - Of the available data sources, some are very detailed (e.g., the Century model) but others are very aggregate (e.g., IPCC)
 - There are mismatches between simulated land types and the land types in available carbon databases
 - Soil depth for soil carbon could be a major issues when energy crops are to be simulated

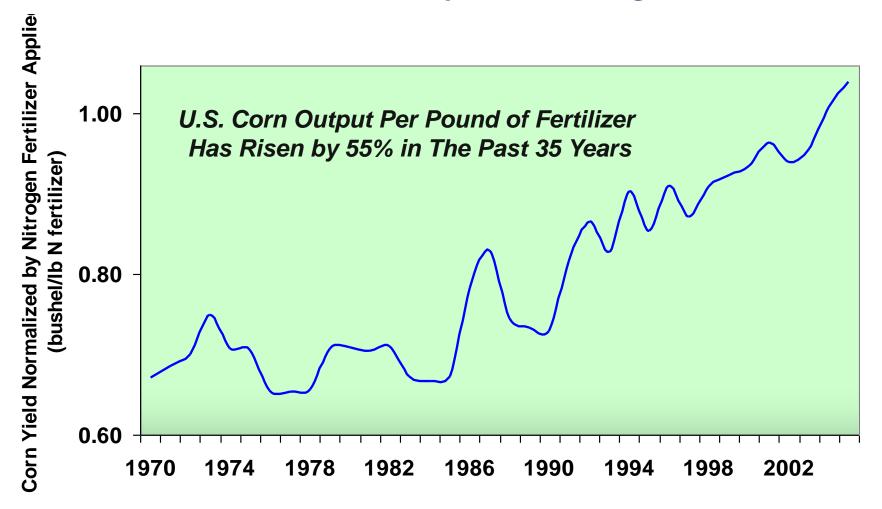


Specific Issues with General Equilibrium Modeling of Land Use Changes by Biofuel Production

- Baseline definition
 - Understanding of the issue has been advanced
 - Definition itself may still not be agreed; scenarios may be the way to go
- Worldwide land availability and productivity
- ☐ Growth of crop yields
 - > Trend yield growth
 - Yield growth response to price increase
 - Two key technical parameters to predict yields: price elasticities; land rent (or other parameter)
- □ Various worldwide biofuel programs: are they parts of a biofuel system or competing individual programs?
- ☐ How to value animal feeds in modeling?
 - Nutrition value vs. market price approach
 - Advancement has been made; reconciliation between the two approaches is still needed



Accurate Ethanol Energy Analysis Must Account for Increased Productivity in Farming Over Time



Based on harvested acreage. Source: USDA

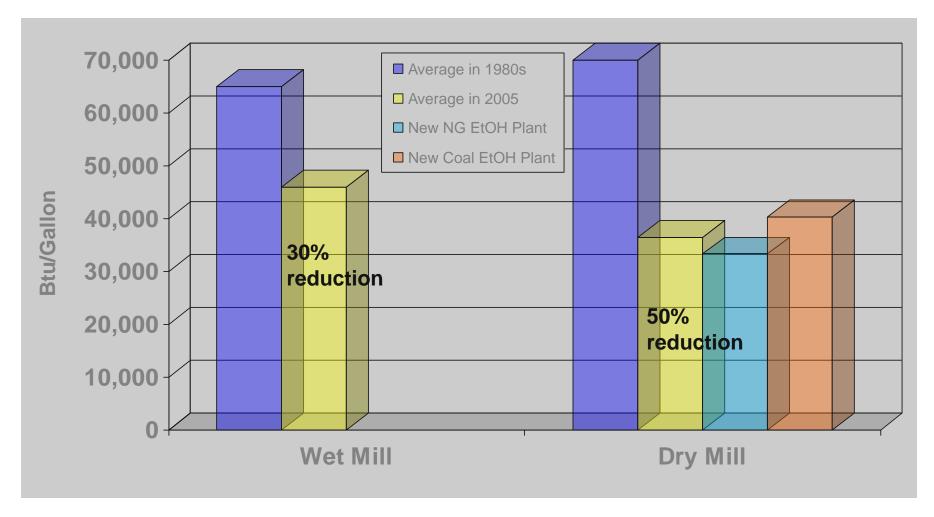


GREET Includes Building of Farming Equipment for Ethanol WTW Analysis

- Size of farm served by equipment
- □ Life time of equipment
- Energy for producing equipment materials (the majority of equipment materials is steel and rubber)
- Argonne has found that building of farming equipment may contribute to <2% of energy and ~1% GHG emissions for corn ethanol

Equipment	Weight (tons)	Lifetime (yr)
Large tractor	10	15
Small tractor	5.7	15
Field cultivator	2.6	10
Chisel plow/ripper	4.0	10
Planter	3.7	10
Combine	13.7	15
Corn combine head	4.0	10
Gravity box (4)	7.3	15
Auger	0.9	10
Grain bin (3)	10.5	15
Irrigation	5.3	12
Sprayer	0.6	10

Improved Technology and Plant Design Has Reduced Energy Use and Operating Costs in Corn Ethanol Plants



There are indications that the ethanol industry continues to reduce plant energy use.

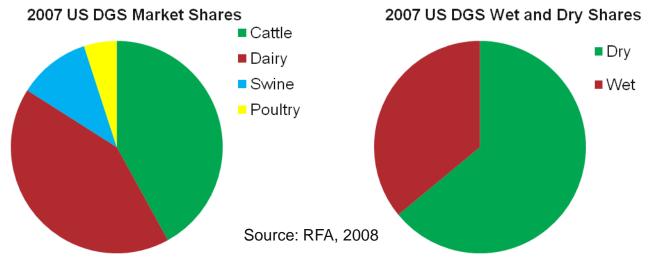


Co-Products with Biofuels

- ☐ Types of co-products
 - Corn ethanol: animal feeds (distillers grains and solubles, DGS)
 - Sugarcane ethanol: electricity
 - Cellulosic ethanol: electricity
 - Biodiesel and renewable diesel from soybean and rapeseed: animal feeds, glycerin, and other chemicals
- Ways of dealing with co-products
 - Displacement method (or the system boundary expansion approach)
 - Allocation methods
 - ✓ Mass based
 - ✓ Energy content based
 - ✓ Economic revenue based
 - Production plant process purpose based
- ☐ Scale of biofuel production (and resultant scale of co-product production) can affect the choice of methods



Proper Accounting for Animal Feed Is Key to Corn Ethanol WTW Analysis

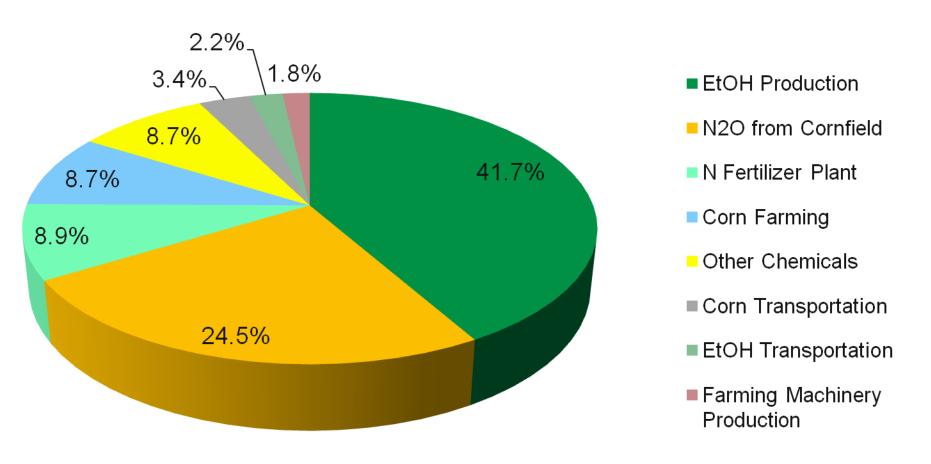


Allocation Method	GHG to EtOH	GHG to GDS
Weight	54%	46%
Energy content	62%	38%
Process energy	68%	32%
Market value	77%	23%
Displacement	81%	19%

Argonne uses the displacement method, the most conservative method for ethanol evaluation.

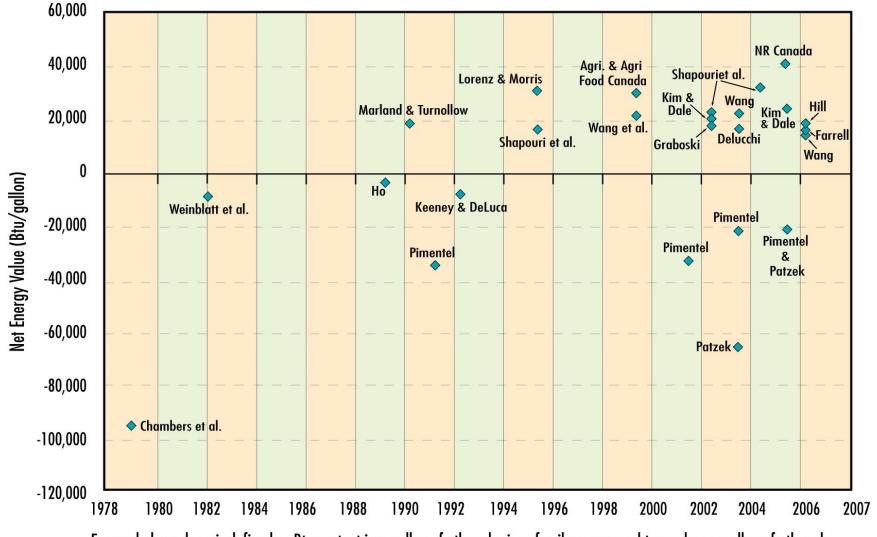


Share of GHG Emissions for Corn Ethanol (total of 5,630 g/gal, with co-product credits)





Most Recent Studies Show Positive Net Energy Balance for Corn Ethanol



Energy balance here is defined as Btu content in a gallon of ethanol minus fossil energy used to produce a gallon of ethanol

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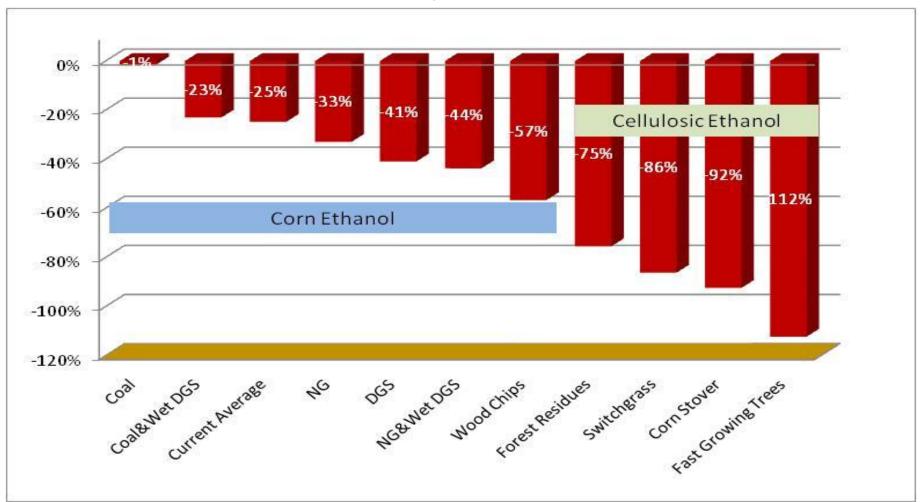
Key Issues Affecting Cellulosic Ethanol Results

- Cellulosic biomass feedstock types
 - Fast growing trees
 - ✓ Soil carbon could increase
 - ✓ Fertilizer may be applied
 - ✓ Irrigation to be needed?
 - Switchgrass and other native grass
 - ✓ Soil carbon could increase
 - ✓ Fertilizer will be applied
 - ✓ Irrigation to be needed?
 - Crop residues
 - ✓ Soil carbon could decrease
 - ✓ Additional fertilizer will be needed to supplement nutrient removal
 - Forest wood residues: collection effort could be extensive
- Co-production of ethanol and electricity
 - The amount of electricity produced
 - The types of conventional electric generation to be displaced
- Land use changes could have less effects on cellulosic ethanol's GHG results



GHG Emissions of Corn Ethanol Vary Considerably Among Process Fuels in Plants

GHG Emission Reductions By Ethanol Relative to Gasoline



GHG effects of potential land use changes are not fully included in these results.



Scope of Argonne's Plug-in Hybrid Electric Vehicle (PHEV) WTW Analysis

- To examine relative energy and emission impacts of PHEVs; the vehicle types addressed were:
 - Conventional international combustion engine vehicles (ICEVs)
 - Regular hybrid electric vehicles (HEVs)
 - ➤ ICE plug-in hybrid electric vehicles (PHEVs)
 - > Fuel cell (FC) PHEVs
- ☐ Fuel options:
 - Petroleum
 - ✓ Gasoline
 - ✓ Diesel
 - > E85 with ethanol from
 - ✓ Corn
 - ✓ Switchgrass
 - Hydrogen with several production pathways
 - Electricity with different generation mixes



Argonne's PHEV WTW Analysis Addresses The Following Key Issues

- PHEV performance evaluation with Argonne's PSAT model
 - Explored PHEV operating strategies
 - Processed fuel economy results for various PHEV configurations
 - Examined effects of all electric ranges (AER) of PHEVs
- PHEV mileage shares by power source
 - Relied on national average distribution of daily vehicle miles traveled (VMT)
 - Determined VMT shares by charge depleting (CD) and charge sustaining (CS) operations for PHEVs with different AERs
- Electricity generation mixes to charge PHEVs
 - Reviewed studies completed in this area
 - Generated five sets of generation mixes for PHEV recharge
- GREET WTW simulations of PHEVs
 - Expanded and configured GREET for PHEVs
 - Conducted GREET PHEV WTW simulations



Five Sets of Generation Mixes for PHEV Recharge Were Used in This Study (%)

Mix	Coal	Oil	Natural Gas	Nuclear	Other
US Average	52.5	1.3	13.5	20.1	12.6
Illinois – Region 4 (MAIN) Marginal	75.2	0.0	24.7	0.0	0.1
New York – Region 6 (NPCC-NY) Marginal	3.4	67.2	29.4	0.0	0.0
California – Region 13 (WECC-CA) Marginal	0.0	0.0	99.0	0.0	1.0
Renewable	0.0	0.0	0.0	0.0	100.0

- US Average Mix: the default GREET average mix for 2020
- IL, NY, and CA Marginal Mix: from the 2020 mix with 2kW charging capacity starting at 10 PM from a study by Hadley et al.
- Renewable: a scenario reflecting upper limit on benefits of PHEVs



PSAT Fuel Economy Results (Miles Per Gasoline Equivalent Gallon for CD Engine and CS Engine; Wh/Mile for CD Electric)

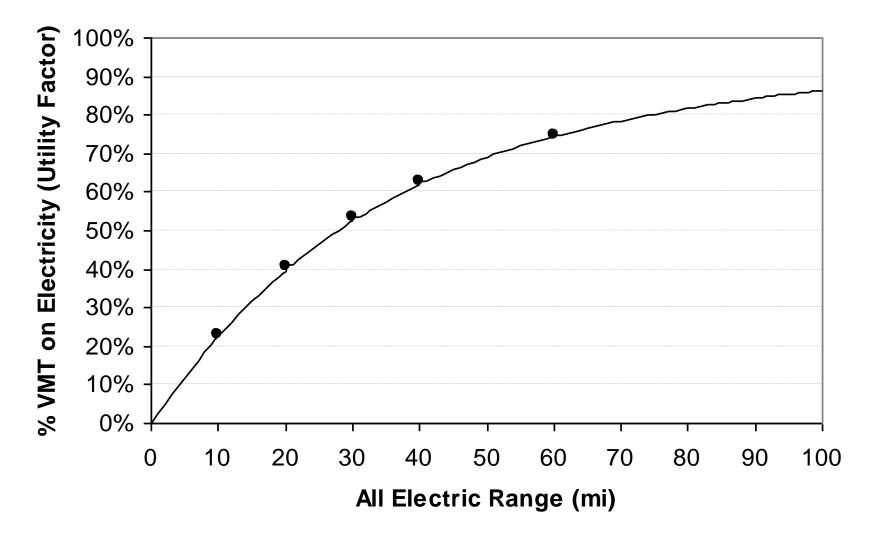
		ICEV	AER 0	AER 10			AER 20		AER 30			AER 40			
			Regular Hybrid	CD Electric	CD Engine	CS Engine									
Gasoline	UDDS	27.6	45.6	148.1	132.4	47.1	141.3	122.3	46.9	174.1	184.3	46.6	165.1	153.4	46.2
ICE	HWFET	34.0	39.7	107.8	78.3	41.1	136.9	103.9	41.0	158.2	134.5	40.6	168.0	152.6	40.2
E85 ICE	UDDS		42.9	146.1	125.5	44.4	141.2	118.4	44.2	172.6	179.7	43.8	164.3	148.6	43.4
	HWFET		37.5	106.3	73.8	38.9	136.9	99.3	38.8	156.8	126.2	38.3	167.0	144.4	37.9
Diesel ICE	UDDS		49.4	151.4	138.1	50.0	144.7	127.5	49.7	179.7	191.3	49.3	169.7	158.7	48.9
	HWFET		43.0	110.2	84.1	43.8	140.3	112.2	43.6	163.3	145.7	43.2	172.6	164.5	42.9
H ₂ FC	UDDS		59.4	157.7	132.6	59.5	154.2	123.4	58.8	156.2	120.7	58.1	181.8	142.7	57.3
	HWFET		62.3	229.4	1514.4	61.5	224.0	601.5	60.9	170.1	189.6	60.3	184.7	225.4	59.7

CD electric operation and CD engine operation complement each other for the same CD miles (i.e., blended mode operation)

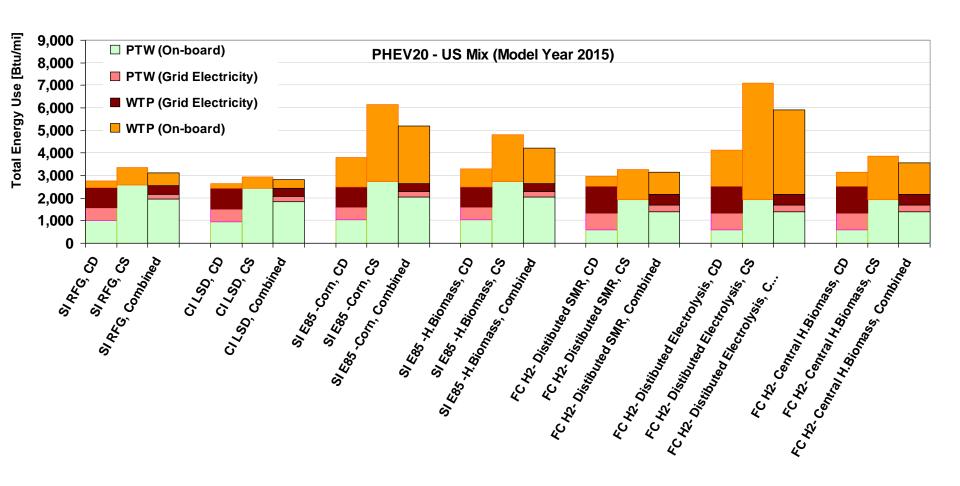
- CD Electric = charge depleting operation with grid electricity
- CD Engine = charging depleting operation with on-board power systems (ICE or Fuel Cell)
- CS engine = charge sustaining operation with on-board power systems
- AER 0 = zero-mile AER (i.e., regular HEV)
- AER 10 = 10-mile AER; AER 20 = 20-mile AER; AER 30 = 30-mile AER; AER 40 = 40-mile AER
- UDDS = Urban Dynamometer Driving Schedule; HWFET = Highway Fuel Economy Test



PHEVs with 20-Mile AER Can Potentially Drive 40% of Daily VMT with CD Operation, PHEVs with 40-Mile AER More than 60%



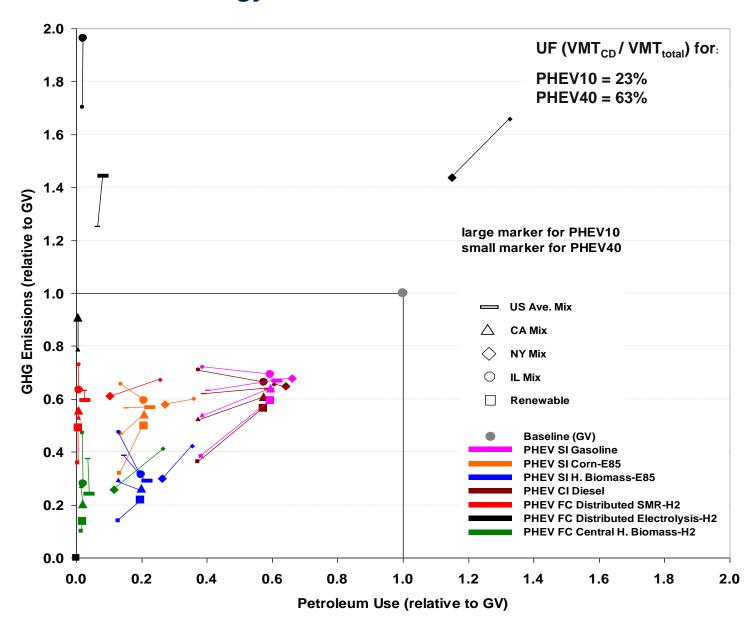
WTW <u>Total Energy Use</u> for CD Mode vs. CS Mode vs. Combination; 20 AER; US Mix



The combination of CD and CS modes are with 40% CD VMT and 60% CS VMT.

Summary of Petroleum Energy and GHG Effects of Evaluated PHEV

Options



Summary of Petroleum Energy and GHG Effects of Favorable Options

