

# System Dynamics Integrated Assessment Modelling with UniSyD

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# Acknowledgements

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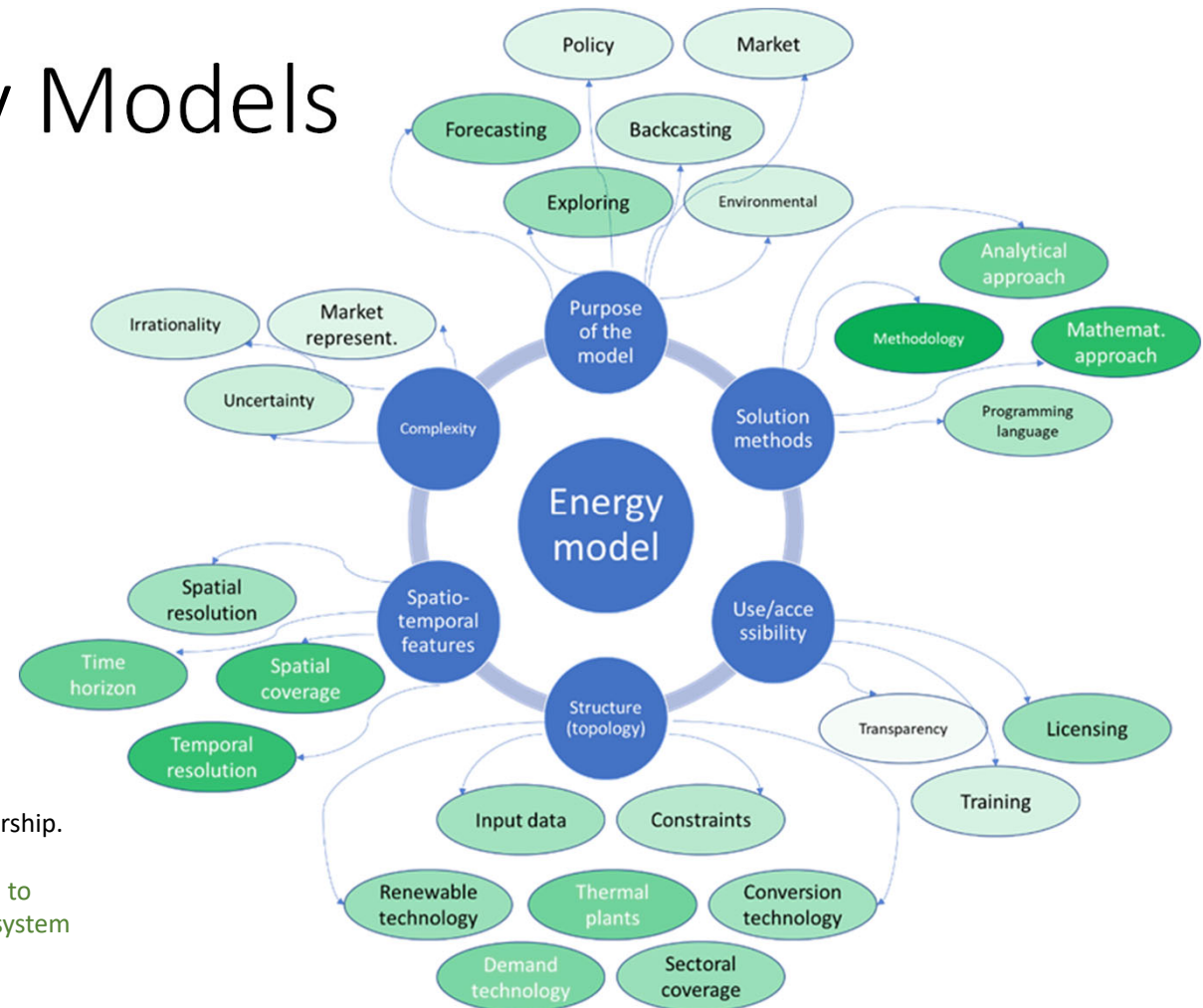
# Contents

- Taxonomy of Energy Models
- Energy Model Archetypes
- Why System Dynamics
- UniSyD – What is it and how does it work
- Output samples - UniSyD New Zealand and UniSyD Japan
- Going forward - PhD Fully Funded Opportunity

# Taxonomy of Energy Models

How can we classify Energy Model? What are their distinguishing characteristics?

Survey of 140+ journal papers



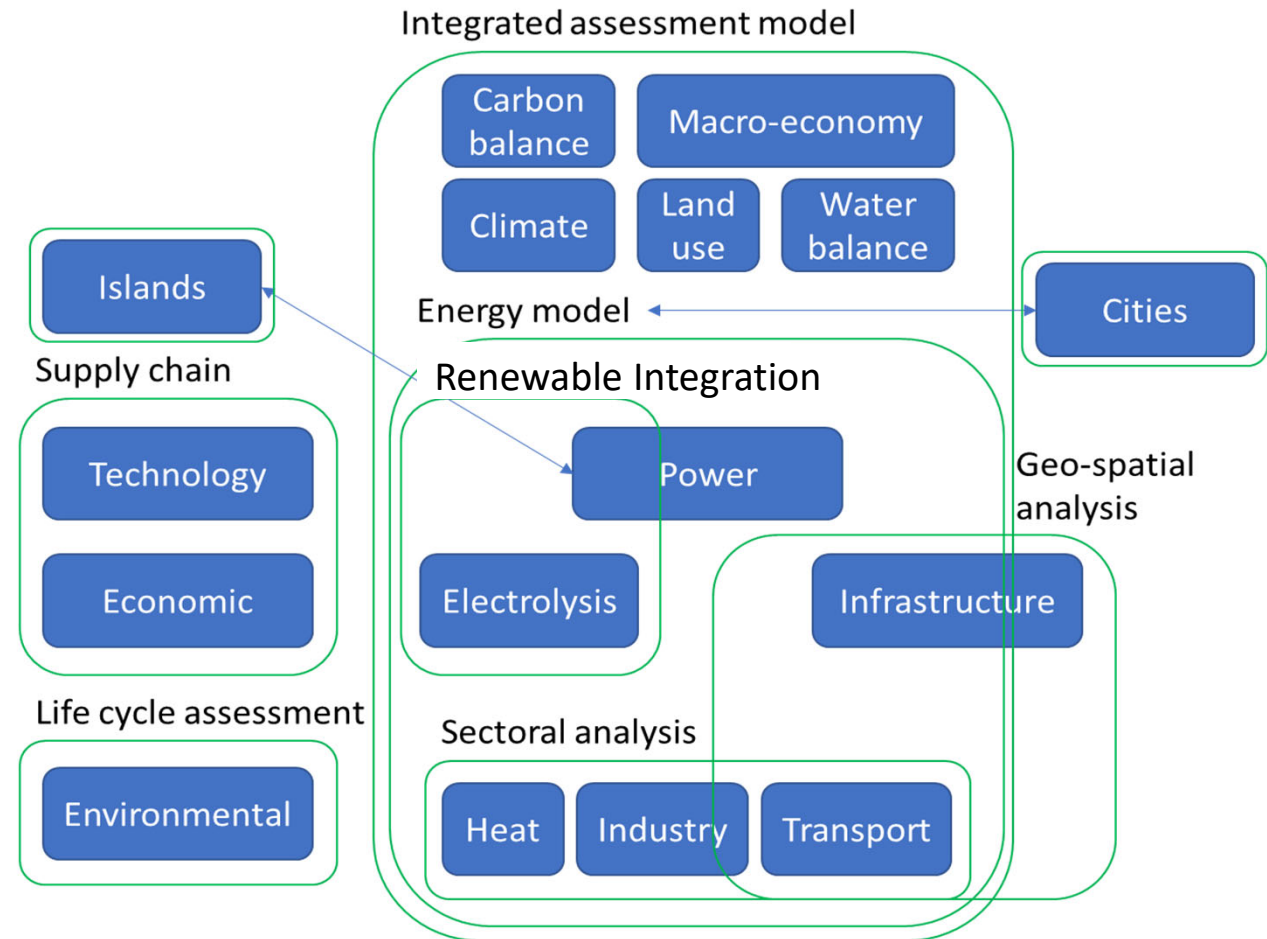
Source: International Energy Agency, Hydrogen Collaboration Partnership.  
Task 41 Data and Modelling (9 international collaborators)  
Assessment of approaches to modelling hydrogen in energy systems to improve the understanding of the economic value of hydrogen sub-system deployment

Ref: Blanco... Leaver... et al. A taxonomy of models for investigating hydrogen energy systems. Submission pending 'Renewable and Sustainable Energy Reviews'

# Energy Model Archetypes from literature

1. Integrated Assessment
2. Energy System
3. Power
4. Variable renewable energy integration
5. Cities
6. Islands/Off-grid
7. Sectoral analysis
8. Geo-spatial analysis and Networks
9. Integrated Life Cycle Assessment

Not mutually exclusive

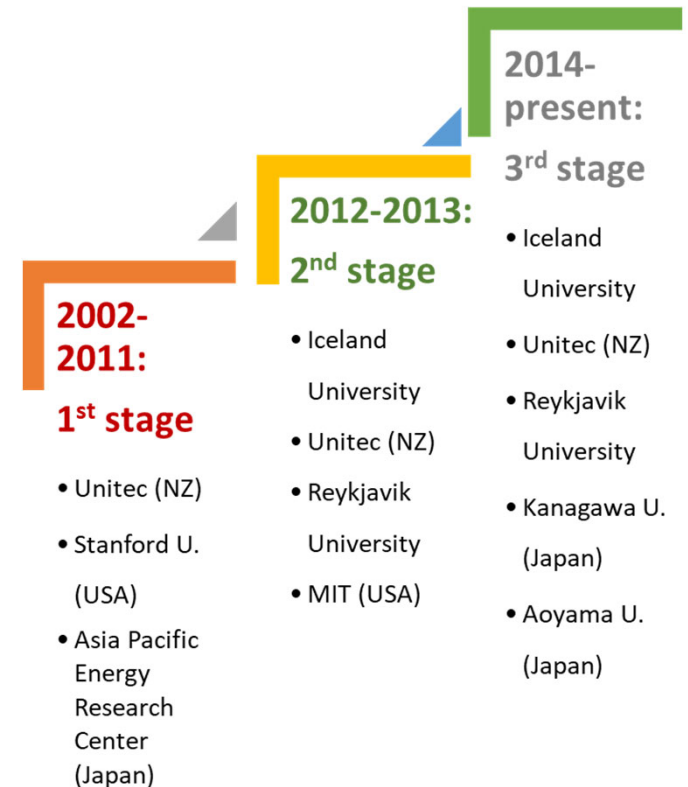


# Why System Dynamics

- Transparency through visually networked variable relationships
- Easy transportability between programmers
- Fast processing time
- Can use highly non-linear algorithms
- Stability

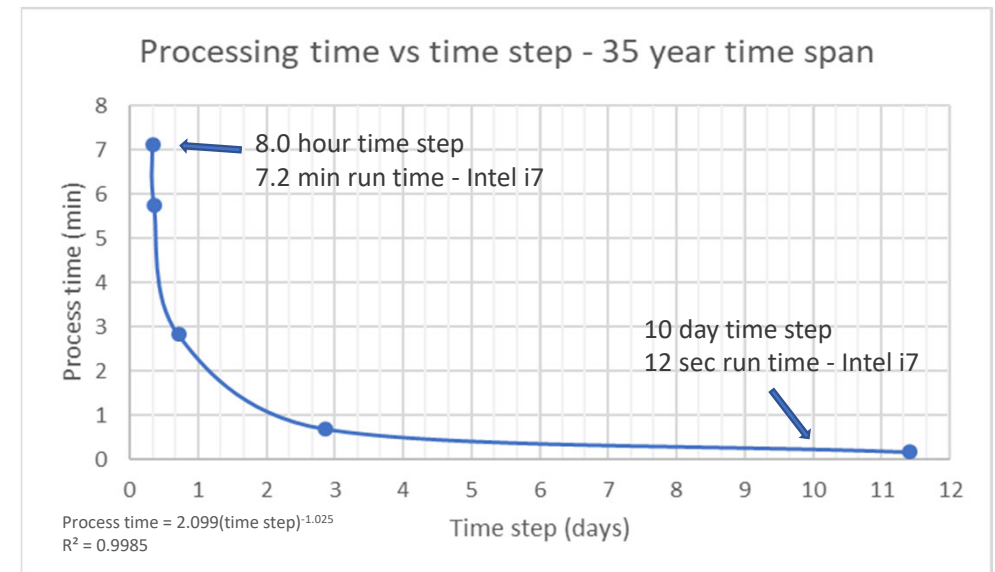
# What is UniSyD

- Early development at Unitec with FRST funding 2002-2012 as part of the CRL/IRL project “Hydrogen Energy for the Future of New Zealand”.
- Principal UniSyD\_NZ programmers:
  - Andrew Baglino, Kenneth Gillingham and Luke Leaver (Stanford University); Akihiro Watabe (Kanagawa University), Ehsan Shafiei (University of Iceland); Jonathan Leaver (Unitec).
- Currently used in national energy system/integrated assessment modelling for New Zealand, Japan, Iceland and Finland.
- IP jointly owned by Unitec, University of Iceland, Kanagawa University



# Profile UniSyD\_NZ

- 39,186 variables including arrayed expansions - 2122 primary variables
- 76 sectors with 35,091 equations including arrayed expansions
- Optimisation occurs at each time step in meeting electricity, hydrogen, biofuel and vehicle fleet demands.
- Dynamic market conditions influenced by the complex interactions among:
  - Resource supply costs
  - Technology costs
  - Infrastructure co-evolution
  - Demand patterns (consumer behaviour)
  - Market prices





# Key Elements of the UniSyD Model

## Energy Supply

- includes imported petroleum fuels, coal, gas, solar, hydropower, geothermal, wind, biomass.
- incorporates resource supply curves, existing/future capacities, expected future technologies, and supply costs.

## Refuelling Infrastructure

- determines refuelling station availability as an important factor changing consumer preferences.
- expected profitability is used to represent fuel station viability.

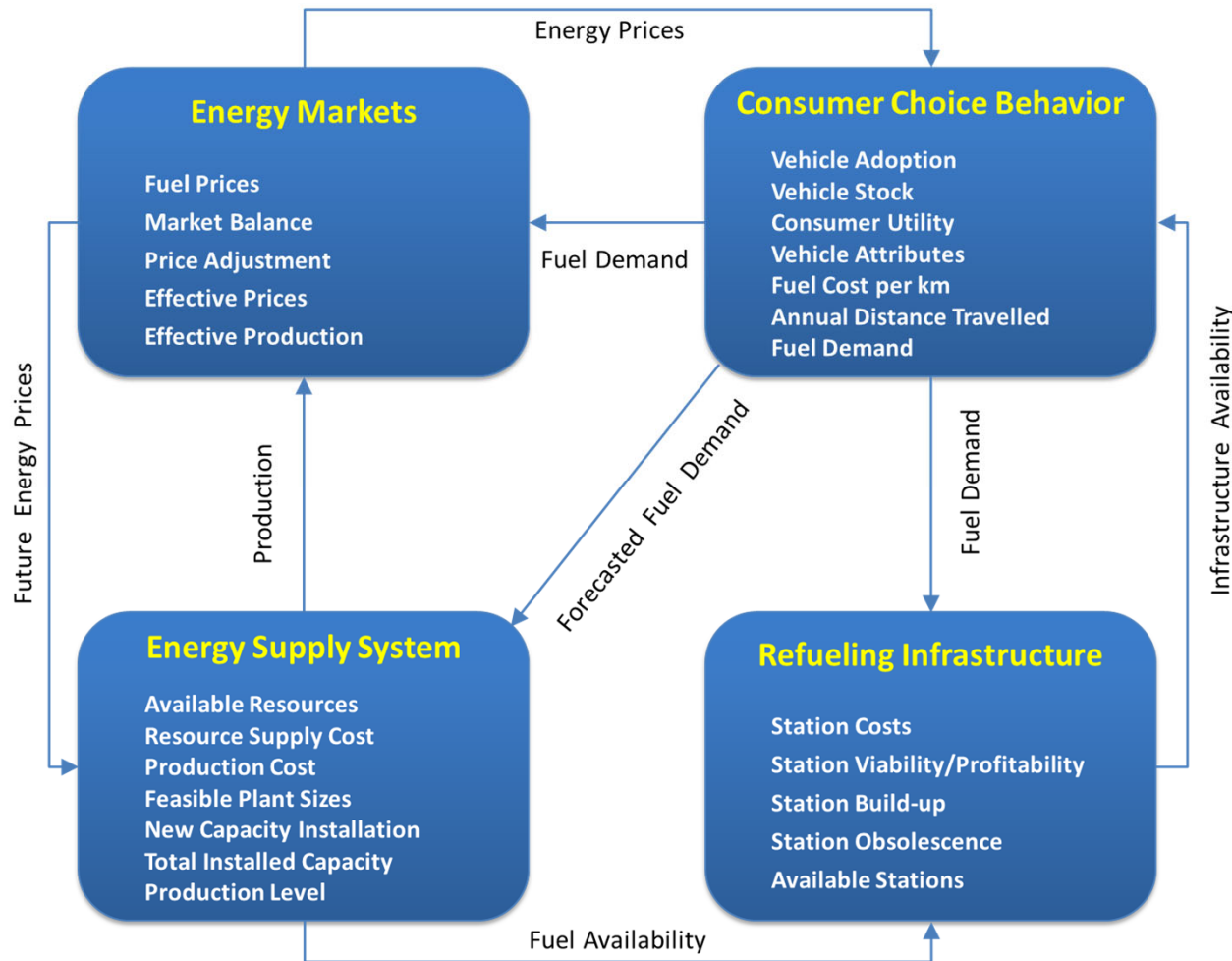
## Energy Markets

- a market-oriented economic system to balance demand with supply curves of production plants
- in short term, energy price signals to determine the fuel supply.
- in long-term, energy prices play a crucial role in new capacity installation.

## Vehicle Choice & Fuel Demand

- a non linear MNL framework forecasts the market share of different vehicles.
- distance travelled, vehicle stock, fuel economies, vehicle & fuel switching are taken into account in forecasting the fuel demand.

# UniSyD: Modules and Key Variables



13 regions aligned with previous Electricity Authority boundaries

# UniSyD Control Levels

### Vehicle Fleets

Start Year H2ICEV: 2051  
Start Year BICEV: 2015  
Start Year HEV: 2010  
Start Year PHEV: 2015  
Start Year FCV: 2020  
Start Year EV: 2015  
EV Range km: 200  
PHEV Range km: 40  
Start Year H2HEV: 2051  
Battery Learning Curve: 2  
FC Learning Curve: 2

U = Low cost 2 = Med cost 3 = High

### Fossil/Bio Fuels

NG Price Increase % pa: 0  
Oil Price Increase % pa: 5  
Year of NG Price Increase: 2015  
Year of Oil Price Increase: 2016  
Max NG Price Increase %: 0  
Max Oil Price Increase %: 140  
New Gas Discovery Rate(Other New): 125  
International Oil Price USD per Barrel: 40

### Carbon

CTax Increase %: 4  
Start CTax\$ per T CO2: 25  
Year of CTax Increase: 2015  
Max CTax \$ per T CO2: 200

### Fuel Stations

H2 Station Introduction Year: 2021  
H2 Program Duration Year: 10  
LDV H2 Station per yr: 3  
HDV H2 Station per yr: 3  
EV Chargers Introduction Year: 2015  
EV Program Duration Year: 10  
LDV EV Charger per yr: 50  
HDV EV Charger per yr: 0  
E85 Station Introduction Year: 2051  
Bio Program Duration Year: 0  
E85 Station per year: 0  
B20 Station Introduction year: 2051  
B20 Program Duration Year: 0  
LDV B20 Station per yr: 0  
HDV B20 Station per yr: 0

**PRIMARY VARIABLES**  
ALL PRICES IN 2014 NZD

### Hydrogen Production

Mandate H2 pipelines:   
Allow Small SMR?:   
Ignore LNG:

### Carbon

Carbon Sequestration Base Cost US\$: 1.6  
Maximum Cost US\$ Carbon Sequestration: 16.3

### Other

NZ to US Long Term Exchange Rate: 0.70  
Percentage of Predicted Biomass Resource: 100

### Elasticity Price Response and Efficiency Emphasis

Emphasis on Reducing Fuel Consumption: 0.5  
New FE Elasticity to Fuel Cost: 0.20

100% = All future efficiency improvement (Upper Bound) is utilized as vehicle performance remains unchanged  
0% = All future efficiency improvement is lost to improvement in vehicle performance and size

### Plant

Enthusiastic H2 Plant Building: 1.5  
Capital Cost Red Target Year: 2050  
Capital Cost Red Factor %: 0  
Allow Efficiency Improvement:

### Electricity

Loss Willingness: 10  
Random Rainfall:   
Industry Electricity Demand Growth Ratio: 0.30  
Micro NG CHP?:   
LNG Importation Begins: 2051  
Micro H2 CHP?:   
Start price Coal \$ per GJ: 4.0  
Tag Demand to Pop?:   
Start Year Ramp Down Existing Coal: 2020  
Tag Coal to Oil?:   
Start Year New Bio?: 2015  
Start Year New Gas?: 2015  
Start Year New Coal?: 2051

### Vehicle Parameters

Mandate Vehicle Price Parity?:   
Vehicle Price Parity Year: 2040  
H2 Vehicle Capital Price Subsidy %: 0  
HEV Drive Cycle Regen Factor[Heavy]: 0.50  
Mandate Fuel Economy L per 100 KM: 8.0  
Fuel Mandate Year: 2051  
Petrol & Diesel Fuel Price Tax %: 100  
H2 Fuel Price Tax %: 0  
BioEth Fuel Price Tax %: 0  
Biodiesel Fuel Price Tax %: 0

### Consumer Valuation

Annual Vehicle Cost Discount Rate: 0.00  
Payback Period yr: 5  
WTP NZ\$ per km@ Initial Range 100km: 100

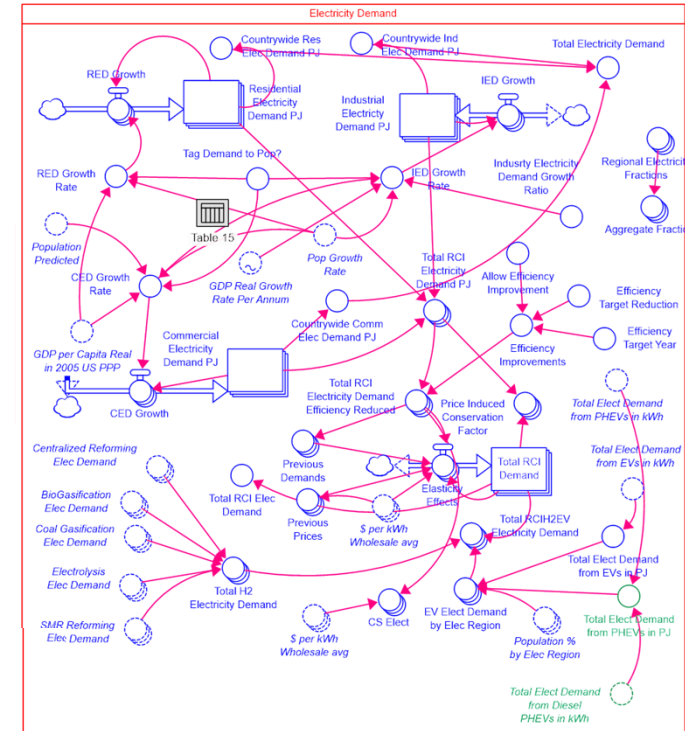
## SECONDARY VARIABLES

### OUTFLOWS:

Noname\_2[Fuel\_Types, Vehicle\_Types, Region] = CONVEYOR OUTFLOW  
 Planned\_Stations[Fuel\_Types, Vehicle\_Types, Region](t) =  
 Planned\_Stations[Fuel\_Types, Vehicle\_Types, Region](t - dt) +  
 (Planned\_Stations\_pa[Fuel\_Types, Vehicle\_Types, Region] +  
 Planned\_Replace[Fuel\_Types, Vehicle\_Types, Region] -  
 Station\_Exit\_2[Fuel\_Types, Vehicle\_Types, Region]) \* dt {CONVEYOR}

## 3 Levels of Interaction:

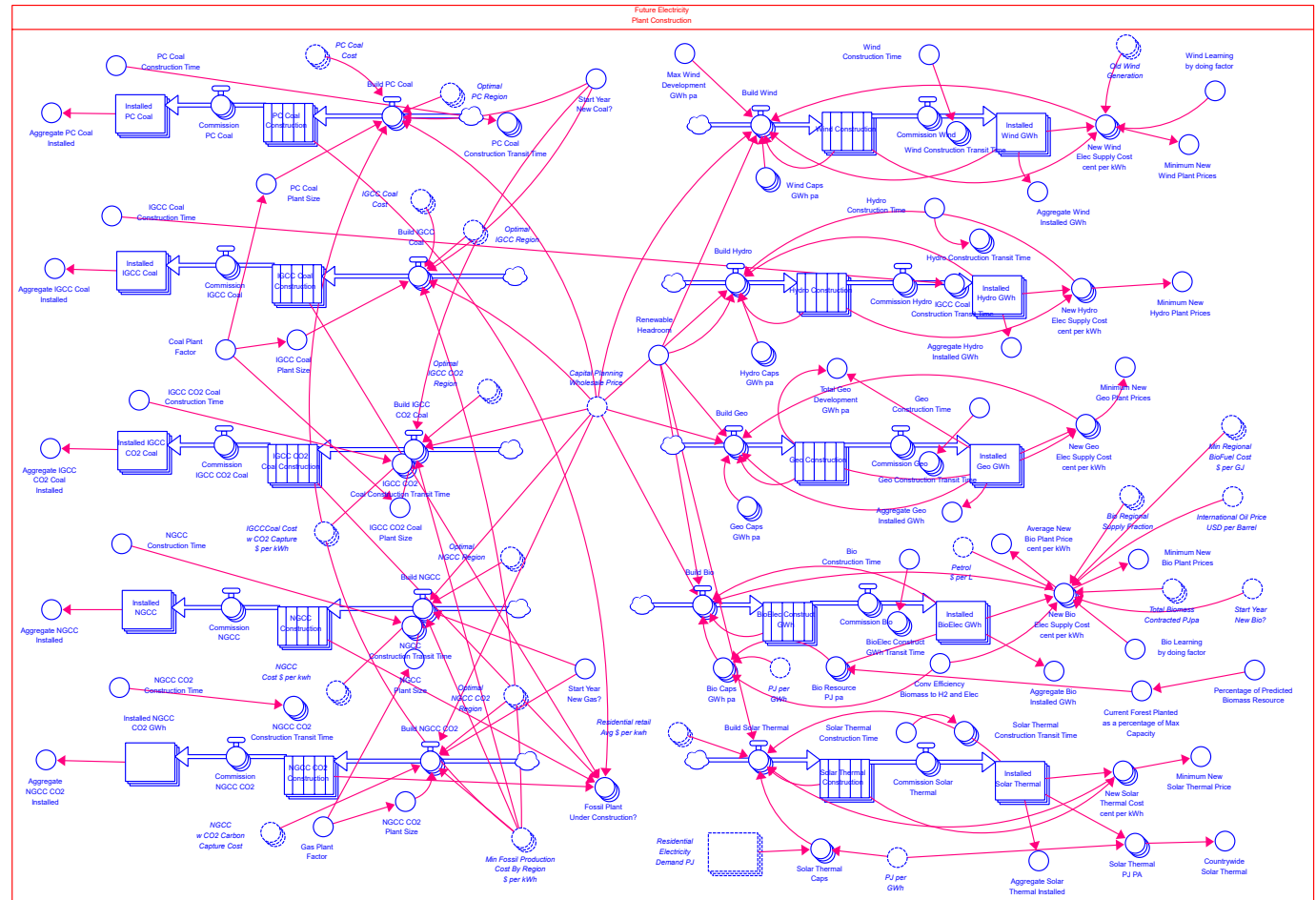
- Interface (Control Panel)
- Model (Networks)
- Equation



# Transparency

- Arrows are dependent relationships
- Squares are stocks that delay the flow items

$Planned\_Infrastructure[Fuel\_Types, Vehicle\_Types, Region](t) =$   
 $Planned\_Infrastructure[Fuel\_Types, Vehicle\_Types, Region](t - dt) +$   
 $(Noname\_1[Fuel\_Types, Vehicle\_Types, Region] - Noname\_2[Fuel\_Types,$   
 $Vehicle\_Types, Region]) * dt \{CONVEYOR\}$   
 $INIT Planned\_Infrastructure[Fuel\_Types, Vehicle\_Types, Region] = 0$   
 $TRANSIT TIME = 1$   
 $CONTINUOUS$   
 $ACCEPT MULTIPLE BATCHES$   
 DOCUMENT: Source of Electric chargers: Tinna Kjartansdóttir, (2012). Electric Vehicles in Iceland: Private Consumer Market 2013-2017  
 INFLOWS:  
 $Noname\_1[Fuel\_Types, Vehicle\_Types, Region] = Planned\_Stations\_pa$   
 $\{UNIFLOW\}$   
 OUTFLOWS:  
 $Noname\_2[Fuel\_Types, Vehicle\_Types, Region] = CONVEYOR OUTFLOW$   
 $Planned\_Stations[Fuel\_Types, Vehicle\_Types, Region](t) =$   
 $Planned\_Stations[Fuel\_Types, Vehicle\_Types, Region](t - dt) +$   
 $(Planned\_Stations\_pa[Fuel\_Types, Vehicle\_Types, Region] +$   
 $Planned\_Replace[Fuel\_Types, Vehicle\_Types, Region] -$   
 $Station\_Exit\_2[Fuel\_Types, Vehicle\_Types, Region]) * dt \{CONVEYOR\}$



Power Plant Construction Sector

# Vehicle Fleet – Types and Utility

## Utility of Vehicle Choice:

$$U_{k,t} = \beta_1 \cdot P_{k,t} + \beta_2 \cdot M_{k,t} + \beta_3 \cdot F_{k,t} + \beta_4 \cdot R_{k,t} + \beta_5 \cdot B_{k,t} + \beta_6 \cdot e^{\beta_7 \times A_{k,t}}$$

$P_{k,t}$  Vehicle Price (\$)

$M_{k,t}$  Maintenance Cost (\$/yr)

$F_{k,t}$  Fuel Cost (\$/km)

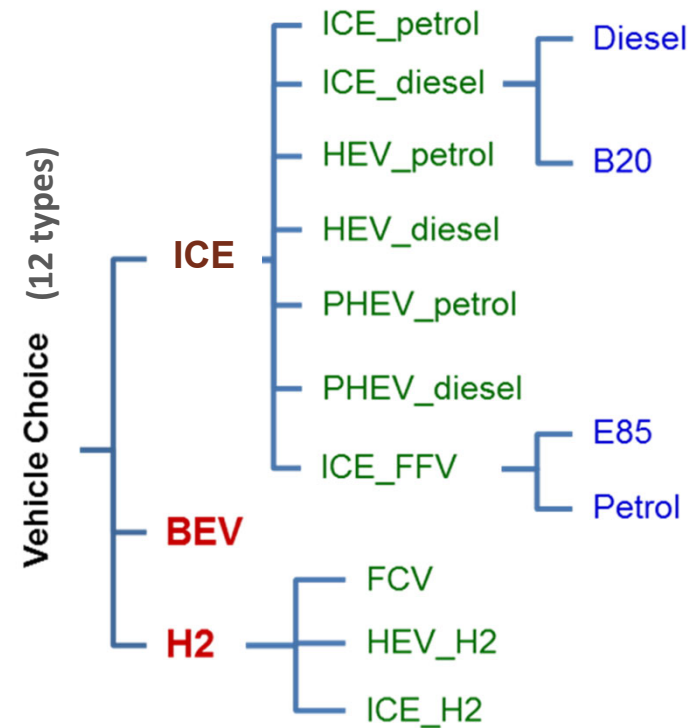
$B_{k,t}$  Battery Replacement Cost (\$)

$R_{k,t}$  Vehicle Range (km)

$A_{k,t}$  Fuel Availability

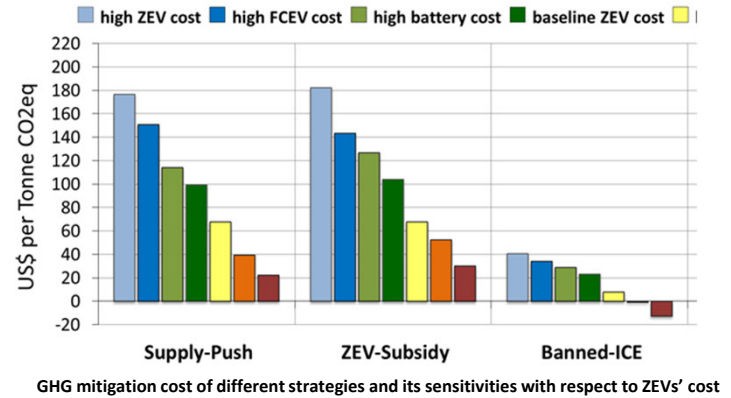
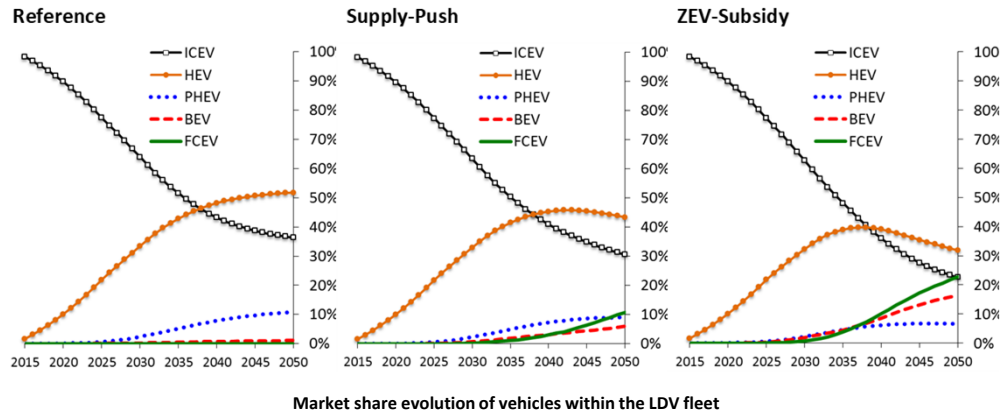
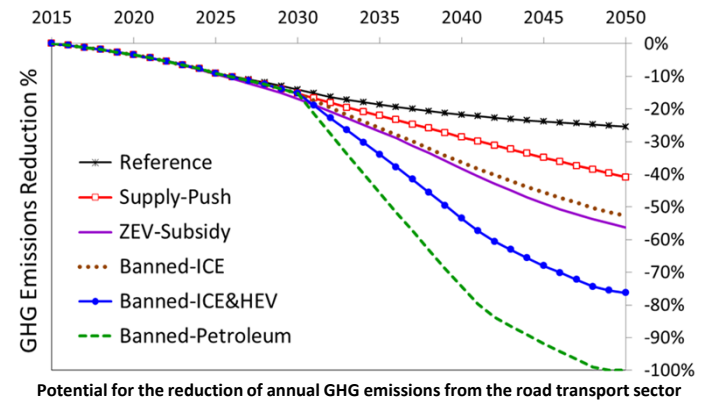
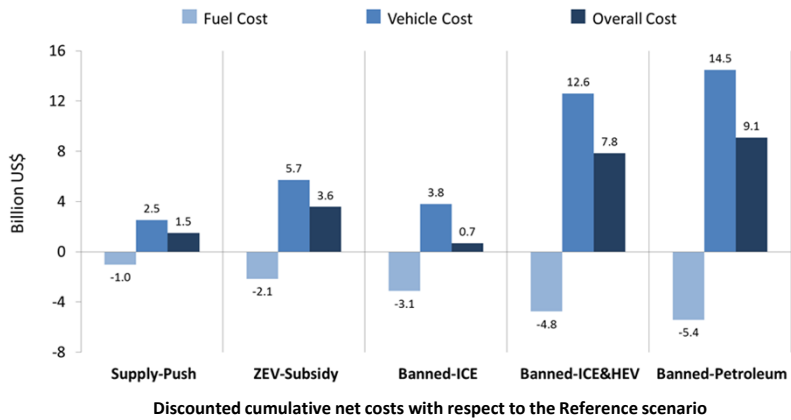
## Probability of Vehicle Choice

$$S_{k,t} = \exp(U_{k,t}) / \sum_{k=1}^V \exp(U_{k,t})$$



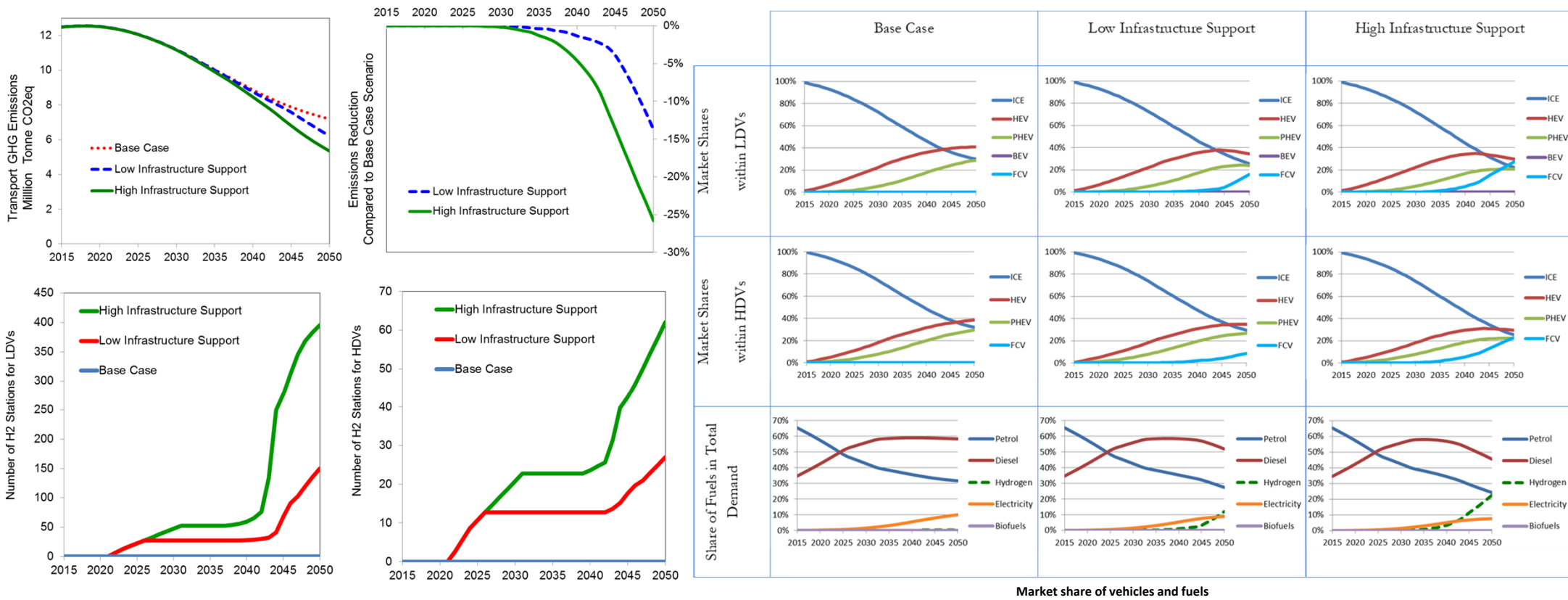
# UniSyD New Zealand

Shafiei, E., Leaver, J., & Davidsdottir, B. (2017). Cost-effectiveness analysis of inducing green vehicles to achieve deep reductions in greenhouse gas emissions in New Zealand. *Journal of Cleaner Production*, 150, pp.339-351. doi:10.1016/j.jclepro.2017.03.032 <https://doi.org/10.1016/j.jclepro.2017.03.032>



# UniSyD New Zealand

Leaver, J. D., Shafiei, E., & Davdisdottir, B. Simulating the Impact of Infrastructure Support on the Market Penetration of Hydrogen Vehicles in New Zealand. Proc. 21st World Hydrogen Energy Conference 2016. Zaragoza, Spain. 2016 ISBN: 978151083835

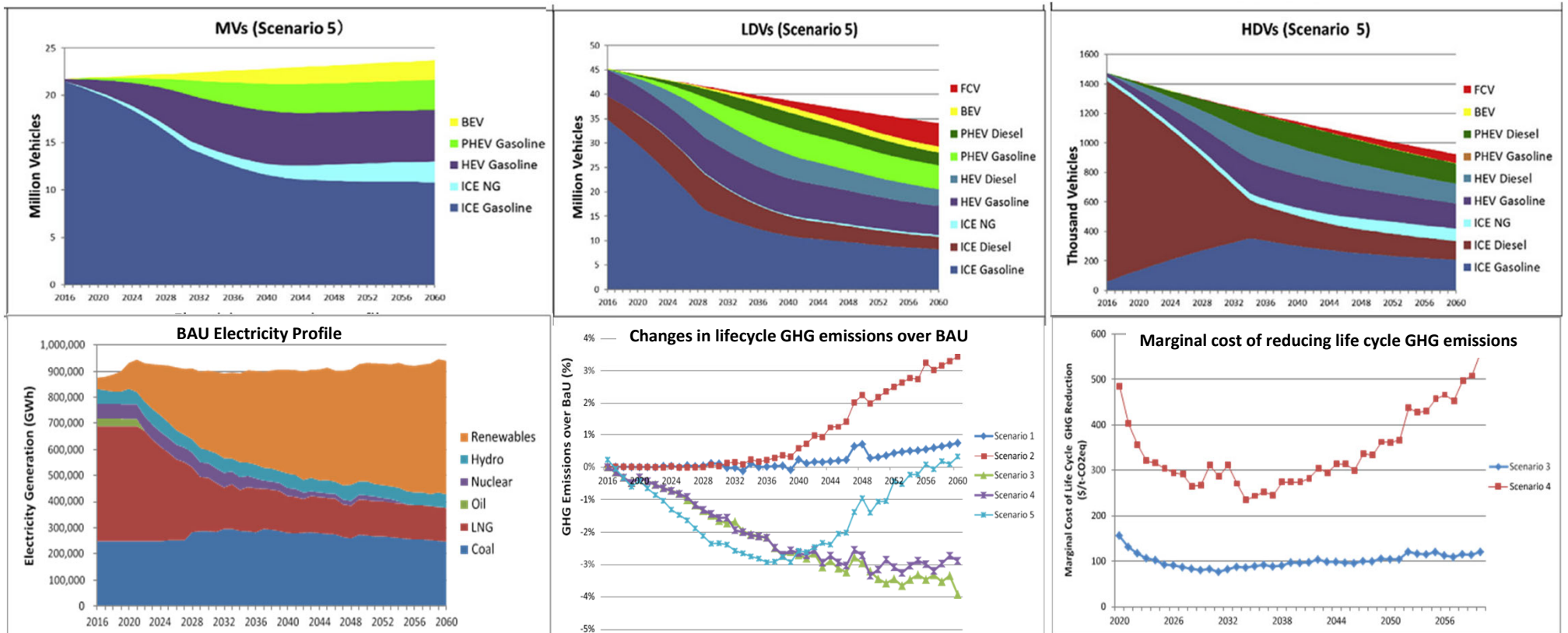


Market share of vehicles and fuels



# UniSyD Japan

Akihiro Watabe, Jonathan Leaver, Hiroyuki Ishida, Ehsan Shafiei. "Impact of low emissions vehicles on reducing greenhouse gas emissions in Japan". Energy Policy Vol. 130, 227-242, 2019. <https://doi.org/10.1016/j.enpol.2019.03.057>





# UniSyD Based - Journal papers

1. Akihiro Watabe, **Jonathan Leaver**, Hiroyuki Ishida, Ehsan Shafiei. "Impact of low emissions vehicles on reducing greenhouse gas emissions in Japan". *Energy Policy* Vol. 130, 227-242, 2019.
2. Shafiei, E., **Leaver, J.**, & Davidsdottir, B. (2017). Cost-effectiveness analysis of inducing green vehicles to achieve deep reductions in greenhouse gas emissions in New Zealand. *Journal of Cleaner Production*, Vol. 150, pp.339-351.
3. Shafiei, E., Davidsdottir, B., **Leaver, J.**, Stefansson, H., & Asgeirsson, E. (2017). Energy, economic, and mitigation cost implications of transition toward a carbon-neutral transport sector: A simulation-based comparison between hydrogen and electricity. *Journal of Cleaner Production*, Vol. 141, pp.237-247.
4. Shafiei, E., Davidsdottir, B., **Leaver, J.**, Stefansson, E., & Asgeirsson, E., Keith, D. (2015). Analysis of supply-push strategies governing the transition to biofuel vehicles in a market-oriented renewable energy system. *Journal of Energy*, Vol. 94, pp. 409–421.
5. Shafiei, E., Davidsdottir, B., **Jonathan Leaver**, Hlynur Stefansson, Eyjolfur Ingi Asgeirsson. (2015). Comparative analysis of hydrogen, biofuels and electricity transitional pathways to sustainable transport in a renewable-based energy system, *Energy*, Vol. 83, pp. 614-627.
6. Shafiei, E., Davidsdottir, B., **Jonathan Leaver**, Hlynur Stefansson, Eyjolfur Ingi Asgeirsson (2014). Potential impact of transition to a low-carbon transport system in Iceland. *Energy Policy*, Vol. 69, pp. 127-142
7. **JD Leaver**, LHT Leaver, (2011). Potential impact of consumer behaviour and fossil fuelled hydrogen generation on national energy policy in New Zealand. *Energy Utility and Environment On Line journal*, Vol. 5.
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9. **Leaver J.D**, Gillingham K.T., Leaver L.H.T. (2009). Assessment of primary impacts of a hydrogen economy in New Zealand using UniSyD. *Int. J. Hydrogen Energy*, Vol. 34(7), 2855-2865.

# Going forward - PhD Full Funded Opportunity in Energy Systems Modelling

This PhD project will use UniSyD to explore a number of important questions for the New Zealand energy system including

- The optimum role of hydrogen including storage options
- The optimum role of biomass
- The optimum evolution of hydrogen infrastructure

The successful PhD student will be based at the University of Otago and be jointly supervised by Associate Professor Michael Jack and Associate Professor Jonathan Leaver

The PhD scholarship will include tuition fees and stipend of \$30,000 p.a. for 3 years.

## Candidate Requirements and Application

- The applicant needs to be completing an honour degree (with GPA B+ or higher) or a master degree by the end of 2021 in Applied Mathematics, Engineering or Physics. Experience with process modelling using Matlab Simulink, Stella or Vensim will be advantageous. Applications from Maori and other minorities are welcomed.
- Interested candidates are invited to send your CV and transcripts as soon as possible to Associate Professor Michael Jack (Michael.jack@otago.ac.nz) in the Department of Physics, University of Otago. The application will be closed once the suitable candidates are identified.

Thank you for your attention

