

Evaluating the sustainability of future energy mixes

Sanghyun Hong

A thesis submitted in fulfilment of the requirements
for the degree of Doctor of Philosophy

October 2014

School of Earth and Environmental Sciences

University of Adelaide, Australia

TABLE OF CONTENTS

TABLE OF CONTENTS	i
TABLE OF FIGURES	iv
TABLE OF TABLES.....	ix
Summary	xi
Statement of Originality (Thesis Declaration)	xiii
Acknowledgements	xv
Chapter I. General introduction	1
<i>Background</i>	1
<i>Case-study countries (South Korea, Japan and Australia)</i>	3
<i>General Approach</i>	4
<i>Objectives</i>	4
<i>Outline of the thesis</i>	5
Chapter II. Evaluating options for sustainable energy mixes in South Korea using scenario analysis	8
<i>Introduction</i>	11
<i>Assumptions</i>	12
<i>Methods</i>	12
<i>Capacity limits</i>	15
<i>Hourly modelling</i>	17
<i>Sustainability assessment</i>	20
<i>Conclusions</i>	25
Chapter III. Evaluating options for the future energy mix of Japan after the Fukushima nuclear crisis	28
<i>Introduction</i>	31
<i>Methods</i>	32
<i>Sustainability assessments</i>	36
<i>Sustainability assessment</i>	41
<i>Weighting perspective</i>	42
<i>Conclusions</i>	44

Chapter IV. South Korean energy scenarios show how nuclear power can reduce future energy and environmental costs	46
<i>Introduction</i>	49
<i>Methods</i>	51
<i>Results</i>	59
<i>Discussion</i>	69
<i>Conclusions and policy implications</i>	70
Chapter V. Nuclear power can reduce emissions and maintain a strong economy: rating Australia’s optimal future electricity-generation mix by technologies and policies	71
<i>Introduction</i>	74
<i>Methods</i>	76
<i>Results</i>	83
<i>Discussion</i>	91
Chapter VI. Global zero-carbon energy pathways using viable mixes of nuclear and renewables	94
<i>Introduction</i>	96
<i>Assumption and Methodology</i>	98
<i>Results</i>	102
<i>Discussion</i>	113
<i>Conclusion</i>	114
Chapter VII. General Discussion	116
<i>Overview</i>	116
<i>Policy implications</i>	118
<i>Future improvements</i>	120
<i>Conclusions</i>	122
Appendix A. Modelling renewable energy resources	123
Appendix B. Capacity limits in South Korea	126
Appendix C. Hourly modelling result	130
Appendix D. Sustainability impact factors for South Korea	133

Appendix E. Sustainability indicators for Japan	135
Appendix F. Final energy and electricity generation mix	136
Appendix G. The drivers and consequences	137
Appendix H. Correlation coefficients	138
Appendix I. Cost analysis	139
Appendix J. The uncertainty ranges of five scenarios	143
Appendix K. Probability analysis	144
Appendix L. The reference lists of sustainability indicators.....	152
Appendix M. Indicators for multi-criteria decision-making analysis (MCDMA).....	153
Appendix N. Published scenarios	156
Appendix O. Sensitivity Analysis of the published scenarios with carbon pricing	158
Appendix P. Detailed future electricity mixes by year	159
Appendix Q. The impact of policy options on future electricity scenarios without both nuclear power and carbon capture and storage	160
Appendix R. Cost and capacity factor.....	161
Appendix S. Sample countries	162
Appendix T. Cumulative carbon dioxide (CO ₂) emissions	163
Appendix U. Cumulative carbon dioxide (CO ₂) emissions per capita.....	164
Appendix V. Alternative renewable mix scenarios.....	165
Appendix W. Scenarios without currently operating renewable and nuclear power plants	168
References	169

TABLE OF FIGURES

Figure 1 Capacity limits (peak capacity) in GW and generation limits (electricity output) in GWh of renewable energy sources in South Korea, based on assessed physical and socio-political constraints.....	17
Figure 2 Normalised results of negative impacts of ten sustainability criteria (max = 1, and min = 0). Lower numbers mean lower negative impacts.....	24
Figure 3 A normalised result of negative economic, environmental and social impacts based on various sustainability criteria. The economic index includes levelised cost of electricity, environmental criteria include greenhouse gas emissions, land transformation and water consumption, and social criteria include air pollutant emissions.....	25
Figure 4 A comparison of each sustainability impact criterion for the four proposed future energy scenarios for Japan, and the current condition, from 0 (no negative impact) to 1 (largest negative impact).....	41
Figure 5 A normalised result of negative economic, environmental and social impacts for future Japanese electricity scenarios, based on the sustainability criteria.....	42
Figure 6 Weighted negative impacts of the four proposed future electricity scenarios in Japan and the current condition, from three different perspectives: environmentalist, economic realist and anti-nuclear.....	44
Figure 7 Total final energy-consumption mixes (principally industrial heat, electricity and transport) of four proposed scenarios (Greenpeace: low demand and nuclear-free; environmentally conscious nuclear: moderate	

demand and high nuclear share; nuclear-intensive: high demand and high nuclear share; government plan: high demand and low nuclear share) analysed herein between 2010 and 2050 (*y*-axis: final energy consumption (PJ), *x*-axis: projection per decade. Energy provision categorised as: renewables: solar, onshore and offshore wind, ocean, hydro and geothermal power; fossil-fuels: coal, gas and oil) 54

Figure 8 Electricity generation mixes of four proposed scenarios (Greenpeace: low demand and nuclear-free; environmentally conscious nuclear: moderate demand and high nuclear share; nuclear-intensive: high demand and high nuclear share; government plan: high demand and low nuclear share) analysed herein between 2010 and 2050 (*y*-axis: electricity consumption in TWh, *x*-axis: projection per decade. Energy provision categorised as: renewables: solar, onshore and offshore wind, ocean, hydro and geothermal power; fossil-fuels: coal, gas and oil) 55

Figure 9 Annual (top) and cumulative (bottom) greenhouse-gas emissions from energy sectors in South Korea by scenario (Greenpeace: low demand and nuclear-free; environmentally conscious nuclear: moderate demand and high nuclear share; nuclear-intensive: high demand and high nuclear share; government plan: high demand and low nuclear share) from 2010 to 2050.. 63

Figure 10 Total costs per unit of final energy consumption (\$ GJ⁻¹) for four scenarios (Greenpeace: low demand and nuclear-free; environmentally conscious nuclear: moderate demand and high nuclear share; nuclear-intensive: high demand and high nuclear share; government plan: high demand and low nuclear share) with uncertainty ranges (bold lines with markers = median cost; shaded ranges indicate upper and the lower limits of

each scenario, from top left clockwise: Greenpeace scenario, environmentally conscious nuclear scenario, nuclear-intensive scenario and the government plan) 66

Figure 11 Sensitivity analyses of the published future electricity scenarios for Australia, using multi-criteria decision-making analysis without carbon pricing. Sequentially, each selected indicator’s weighting was changed from 0 to 1, while holding the other indicators at 0.5. The selected indicators shown in each panel are: (a) levelised cost of electricity, (b) greenhouse-gas emissions, (c) air pollutants, (d) land transformation, (e) freshwater consumption, (f) safety costs, (g) solid-waste generation, and (h) material requirements..... 85

Figure 12 Forecast of alternative future electricity mixes by types of electricity generation sources for Australia in 2050 by ‘technology options’. Each panel represents a different ‘technology option’: (a) including both nuclear power and carbon capture and storage, (b) including only carbon capture and storage, and (c) excluding both nuclear power and carbon capture and storage..... 86

Figure 13 Forecast of alternative future electricity mixes by types of electricity generation sources for Australia in 2050 by ‘policy option’, including both nuclear power and carbon capture and storage. Each panel represents a different ‘policy option’: (a) excluding carbon pricing (includes the Government-mandated 20% renewable energy target and median values of renewable energy penetration limits), (b) a 0% renewable energy target (includes carbon pricing and median renewable energy limits), and (c)

maximum values of renewable energy penetration limits (including carbon pricing and the 20% renewable energy target)..... 89

Figure 14 Forecast of alternative future electricity mixes by type of electricity generation source for Australia in 2050 according to six alternative ‘policy options’; in this case carbon capture and storage was permitted, but not nuclear power*, as enforced by current Australian legislation. Each panel represents a different ‘policy option’: (a) excludes carbon pricing (including a Government-mandated 20% renewable energy target and median renewable energy limits), (b) a 0% mandated renewable energy target (including carbon pricing and median values of renewable energy penetration limits), and (c) maximum values of renewable energy penetration limits (including carbon pricing and the 20% renewable energy target)..... 90

Figure 15 Global cumulative greenhouse-gas (CO₂) emissions (bars – left y-axis) and annual greenhouse-gas (CO₂) emissions (lines – right y-axis) from fossil-fuel combustion of three different deployment pathways (early deployment, linear deployment and late deployment) between 2011 and 2060..... 103

Figure 16 Projected cumulative greenhouse-gas (CO₂) emissions from fossil-fuel combustion for (a) electricity and (b) energy consumption of economic groups (EU/OECD, BRICS, OPEC, ASEAN, and OTHER) following three different deployment pathways (early, linear and late) between 2011 and 2060, and (c) cumulative emissions of 16 selected countries (Australia, Brazil, Canada, China, Denmark, France, Germany, India, Indonesia, Japan, South Korea, New Zealand, Norway, Russia, Sweden, and USA) based on the linear-deployment pathway (grey area indicates CO₂ emissions from electricity and the sum of

grey and black area indicates CO₂ emissions from the final energy consumption). 105

Figure 17 (a) Global land use per total land area by energy source, and (b) 16 selected countries' (Australia, Canada, Sweden, Norway, New Zealand, Brazil, United States, Denmark, France, Indonesia, Germany, China, Japan, India, and South Korea) land use compared to the national land area for energy production in 2060. (1) 100% renewables, (2) 1.4% nuclear with 2011 nuclear share, (3) 49.2% nuclear with the maximum growth rate of nuclear penetration for each nation, (4) 97.6% nuclear with 2011 renewable shares, and (5) 100% nuclear mixes. 108

Figure 18 The global and seven chosen countries' (Australia, Brazil, Canada, France, South Korea, Norway, and Sweden) cumulative capital investment costs per electricity generation (\$ MWh⁻¹) between 2011 and 2060 by percentage nuclear share. (a) 0% nuclear share, (b) minimum nuclear share while maintaining current nuclear capacity, (c) maximum nuclear share without international cooperation (0.28 MWh person⁻¹ year⁻¹), (d) maximum nuclear share while maintaining current renewable capacity, and (e) 100% nuclear share..... 110

Figure 19 Carbon-abatement intensity of three different deployment pathways (early deployment, linear deployment and late deployment) from energy mixes based on high levels of fossil-fuel combustion to increasing nuclear-penetration shares 112

TABLE OF TABLES

Table 1 Total installed capacity of electricity generation capacity in South Korea in gigawatts (GW, left) and gross generation in 2010 in terawatt hours (GWh, right). These data are based on hourly electricity modelling for five alternative energy plans, and the actual 2010 situation for South Korea	18
Table 2 Gross electricity generation (TWh) of proposed scenarios for South Korea. These data are based on hourly electricity modelling for five alternative energy plans, and the actual 2010 situation.....	19
Table 3 The generation mixes of the current condition and the four alternative scenarios analysed herein (Ministry of Economy Trade and Industry, 2012; National Policy Unit, 2012)	34
Table 4 Weight values on each sustainability criterion from different perspectives between 0 (negligible) and 1 (important).....	43
Table 5 Rankings of all analysed energy production options based on quantifiable criteria. A lower number means a lower negative impact.....	60
Table 6 Cross-scenario comparison showing the probability that a scenario from the row is lower than a scenario (Greenpeace: low demand and nuclear-free; environmentally conscious nuclear: moderate demand and high nuclear share; nuclear-intensive: high demand and high nuclear share; government plan: high demand and low nuclear share) from the column. This result is based on 100,000 simulations using a Gaussian distribution with default correlation coefficients (Appendix H). The upper table is based on the cost per unit final energy consumption and the lower table is based on the overall cost.....	67

Table 7 Multi-criteria decision-making analysis weightings to represent ‘social’ values for or against different indicators of sustainability in electricity generation systems. Different weightings (perspectives) on each sustainability criterion can range between 0 (negligible) to 1 (important). The actual weights given below are arbitrary, but representative of different plausible community or socio-economic mindsets. 81

Table 8 Published scenario comparison using multi-criteria decision-making analysis with equal weights ($w = 1$). Note that carbon pricing is not considered here. Each sustainability criterion can range between 0 (least negative impact) to 1 (most negative impact)..... 84

Summary

For effective mitigation of greenhouse-gas emissions and their ensuing climate disruption, the worldwide consumption of fossil fuels for energy production must be curtailed deeply and urgently. Yet historical evidence shows that energy efficiency typically fails to reduce energy consumption while maintaining economic growth, and large-scale renewable resources, excluding hydroelectric power, are difficult to harness economically at large scales. Moreover, in many East Asian and European countries with large demand and high population densities, there is limited land for energy production. In this thesis I look at the problem of fossil-fuel replacement by nuclear and renewables, focusing on three relevant case studies (South Korea, Japan and Australia). I first calculate the maximum limits of renewable-energy sources in South Korea, revealing that geophysical constraints mean that renewable energy could only supply < 35% of electricity consumption. I then compared the current electricity mix with six alternative scenarios using multi-criteria decision-making analysis (MCDMA); the factors included electricity cost, greenhouse-gas emissions, land transformation, water consumption, heated-water discharge, air pollution, radioactive waste, solid waste and safety issues. The relative MCDMA rank ranges from 0 (most sustainable) and 3 (least sustainable). This evaluation showed that a high-penetration nuclear-power scenario yielded the fewest negative environmental, economic and social impacts for South Korea (score = 0.26 out of 3), whereas maximising renewable energy led to the second-worst impacts (1.81) (Chapter II). I then applied MCDMA with *a priori* socio-economic weightings to evaluate the sustainability impacts of a nuclear-free pathway and three other pathways (15 to ~ 35% nuclear share) proposed by the Japanese government after the Fukushima-Daiichi nuclear meltdowns. Despite some sensitivity to the selected criterion weights, the result confirmed that a nuclear-free pathway for Japan was consistently the worst option to pursue (2.49 out of 3), with the 35% nuclear power scenario yielding the lowest negative impacts score (0.74) (Chapter III). To understand the influence of uncertainty on these metrics, I compared four energy scenarios (a governmental plan, the Greenpeace scenario, and two other nuclear-centred scenarios) using probabilistic simulations based on external costs. This approach supported the conclusion that, despite inherent uncertainty, the nuclear-centred scenarios would yield the lowest total cost per unit of final energy consumption by 2050 (\$14.4 GJ⁻¹), whereas the Greenpeace scenario results in the highest costs (\$25.4 GJ⁻¹). These results imply that large-scale expansion of nuclear power will be the most sustainable pathway for

countries with insufficient renewable energy resources, like South Korea and Japan (Chapter IV). I then modelled the optimal future electricity mixes for Australia, a nation that has abundant renewable energy reserves, and does not (yet) permit the development of nuclear energy for electricity generation. Using a ‘genetic’ optimisation algorithm modified by different socio-politic perspectives, I determined that although a renewables-only pathway might be able to supply Australia’s electricity consumption to 2050, the inclusion of nuclear power (at > 40% of total electricity consumption) would yield more optimal economic and environmental benefits (Chapter V). In Chapter VI, I modelled the potential for, and barriers to, a global nuclear-dominated energy system (i.e., > 50% of worldwide final energy consumption). This showed that although some countries do not have appropriate economic, political or technological capacity for high nuclear shares in their electricity generation, nuclear power would reduce total capital investment and result in a lower land-transformation burden than a renewables-only scenario. Finally in Chapter VII, I summarise the approaches and results I developed in the thesis, and I present a pathway for future research in national-scale sustainably energy systems.

Statement of Originality (Thesis Declaration)

This work contains no material which has been accepted for the award of any other degree or diploma in any university or other tertiary institution and, to the best of my knowledge and belief, contains no material previously published or written by another person, except where due reference has been made in the text.

I give consent to this copy of my thesis when deposited in the University Library, being made available for loan and photocopying, subject to the provisions of the Copyright Act 1968.

The author acknowledges that copyright of published works contained within this thesis (as listed below*) resides with the copyright holder(s) of those works.

I also give permission for the digital version of my thesis to be made available on the web, via the University's digital research repository, the Library catalogue, and also through web search engines, unless permission has been granted by the University to restrict access for a period of time.

Sanghyun Hong
Adelaide August 2014

Published works are:

Hong, S., Bradshaw, C. J. A. & Brook, B. W. (2013) Evaluating options for the future energy mix of Japan after the Fukushima nuclear crisis. *Energy Policy*, 56, 418-424.

Hong, S., Bradshaw, C. J. A. & Brook, B. W. (2013) Evaluating options for sustainable energy mixes in South Korea using scenario analysis. *Energy*, 52, 237-244.

Hong, S., Bradshaw, C.J.A., Brook, B.W. (2014) South Korean energy scenarios show how nuclear power can reduce future energy and environmental costs. *Energy Policy*, In Press (available online)

Hong, S., Bradshaw, C.J.A., Brook, B.W. (2014) Nuclear power can reduce emissions and maintain a strong economy: rating Australia's optimal future electricity-generation mix by technologies and policies. *Applied Energy*, In Press

Submitted work is:

Hong, S., Bradshaw, C.J.A., Brook, B.W. (2014) Global zero-carbon energy pathways using viable mixes of nuclear and renewables. *Applied Energy*, Under Review

Acknowledgements

I appreciate to my supervisors for the opportunity to study this interesting research topic and for their support:

- Barry Brook, who provided me this opportunity and guided me to develop my own way of thinking, and fully supported my research ideas with positive and (sometimes) harsh feedbacks;
- Corey Bradshaw, who provided me valuable questions on my research and provided me the second thoughts from different views.

Both of you are the best supervisors I have ever met, and you will be my role models for my research career.

I also thank to the Global Ecology Lab group for support and help. Although they are now a separate group, I also thank to the Invasive Ecology group. Thanks to all the communications (usually with coffee), and lab meetings, now I can understand a little bit of ecology (probably not).

I appreciate to my family and friends who are mostly on the top half of the planet, without your support I would not be able to finish Ph.D. Special thanks to my parents who allowed me to be here in the world, and my sister. I cannot mention all of my friends here, but I'm sure you know how much I care about you. I want to mention one of my best friends Taeksoo, you are in my heart forever.

Thanks for being with me Hyeri, I am such a lucky man! I love you.