

DOE Bioenergy Technologies Office (BETO) 2021 Project Peer Review

Feasibility Study of Utilizing Electricity to Produce Intermediates from CO₂ and Biomass

Josh Schaidle, NREL

March 11th, 2021

CO₂ Utilization

Project Overview

Goal: *Guide existing and future R&D* efforts by defining key technical challenges, risks, cost/carbon intensity drivers, and future technical targets for utilizing renewable electricity and CO₂ to improve biorefinery economics and carbon utilization

Outcomes: (1) FY20 – Develop a *roadmap of strategic R&D needs to accelerate CO₂ utilization* and (2) FY23 – Develop and publish a *comprehensive design report* for the integration of CO₂ utilization into two existing conceptual biorefinery designs

- Critical literature review and subject matter expert interviews
- Collaboration with experimental projects
- High-level comparative and detailed techno-economic analysis coupled with biorefinery integration
- Carbon intensity assessment through partnership with ANL (GREET)
- Risk identification and evaluation

Impact: *Foundational analysis to guide decarbonization* of fuels and chemical production

Relevance to Bioenergy Industry: Identify risks and opportunities for leveraging low-cost renewable electricity to improve biorefinery carbon utilization

Quad Chart Overview: 2.1.0.304

Timeline

- Prior AOP Cycle: Oct. 1, 2018 – Sept. 30, 2020
- Current AOP Cycle: Oct. 1, 2020 – Sept. 30, 2023

	FY20	Active Project
DOE Funding	\$400,000	\$1,200,000

Project Collaborators

- Electrocatalytic CO₂ Utilization (2.3.1.316)
- ANL Life-Cycle Analysis (4.1.1.10)

Barriers addressed

Emerging BETO Direction: Develop strategies for adding value to waste gases

- Ot-B: Cost of Production
- At-E: Quantification of Economic, Environmental, and Other Benefits and Costs

Project Goal

Guide existing and future research and development efforts by defining key technical challenges, risks, cost/carbon intensity drivers, and future technical targets for utilizing renewable electricity and CO₂ to improve biorefinery economics and carbon utilization

End of Project Milestone

Develop and publish a comprehensive design report for the integration of CO₂ utilization into two existing conceptual biorefinery designs, which will include conceptual process models, pioneer and nth plant economics, identification and quantification of technological risks, and projections for future cost reductions

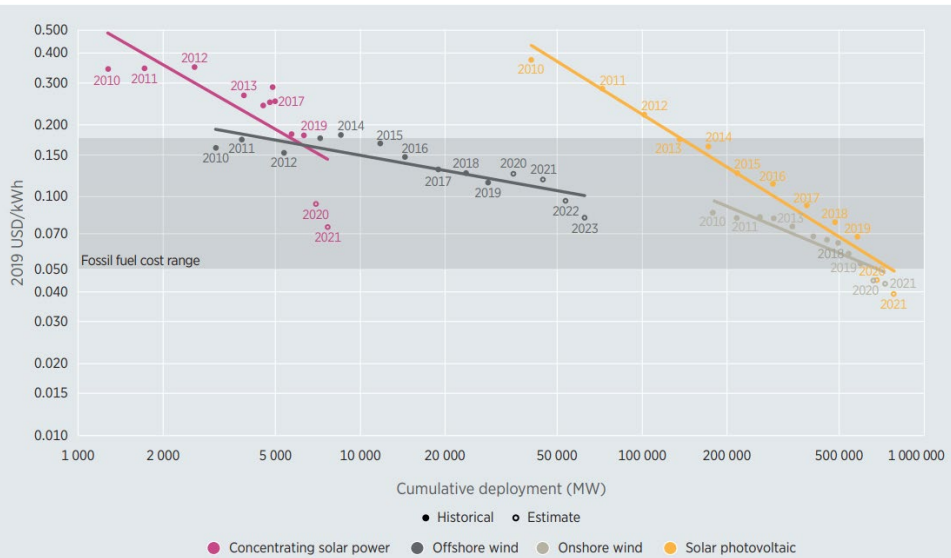
Funding Mechanism

Annual Operating Plan

Project Overview: Convergence of Trends

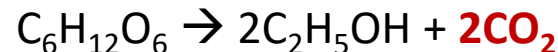
Increasing Deployment and Decreasing Costs of Renewable Electricity

Growing Need and Opportunity for Utilizing Gaseous Carbon Waste Streams



Government, NGO, Industry, Academia, NAS

Ethanol Fermentation



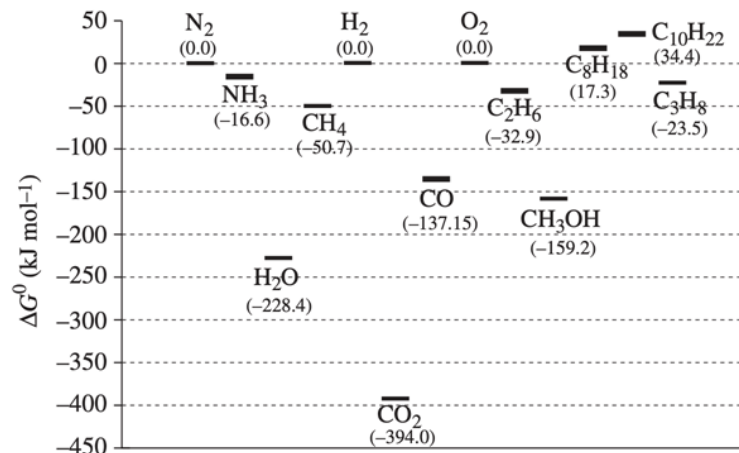
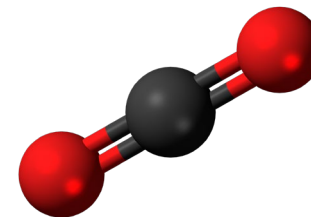
Future Levelized Costs: \$0.02 - \$0.07/kWh

216 US Biorefineries Emit 45Mt CO₂/year*

Opportunity: Decarbonization of fuels and chemicals production

Project Overview: Brutal Reality of CO₂ Reduction

- CO₂ is 73wt% O and is neither free nor pure
- CO₂ is abundant, but has no heating value
 - Energy demand for converting CO₂ to ethylene is ca. 7 – 20 kWh/kg[#]
 - Ammonia synthesis: ca. 8 kWh/kg*
 - Converting 45Mt/y of CO₂ from ethanol fermentation to hydrocarbon fuels requires ca. 35 – 50 GW of power
- Pipeline availability is limited
- CO₂ as feedstock ≠ lower carbon intensity than the incumbent







Z. Jiang, et al., *Phil. Trans. R. Soc. A*, 2010, **368**, 3343-3364.

[#]Depends upon energy efficiency of specific process






*K. Kermeli, Energy Efficiency and Cost Saving Opportunities for Ammonia and Nitrogenous Fertilizer Production, 2017.

Market Trends




Product

-  Anticipated decrease in gasoline/ethanol demand; diesel demand steady
-  Increasing demand for aviation and marine fuel
-  Demand for higher-performance products
-  Increasing demand for renewable/recyclable materials




Feedstock

-  Sustained low oil prices
-  Decreasing cost of renewable electricity
-  Sustainable waste management
-  Expanding availability of green H₂
-  Closing the carbon cycle

Capital

-  Risk of greenfield investments
-  Challenges and costs of biorefinery start-up
-  Availability of depreciated and underutilized capital equipment

Social Responsibility

-  Carbon intensity reduction
-  Access to clean air and water
-  Environmental equity

NREL's Bioenergy Program Is Enabling a Sustainable Energy Future by Responding to Key Market Needs

Value Proposition

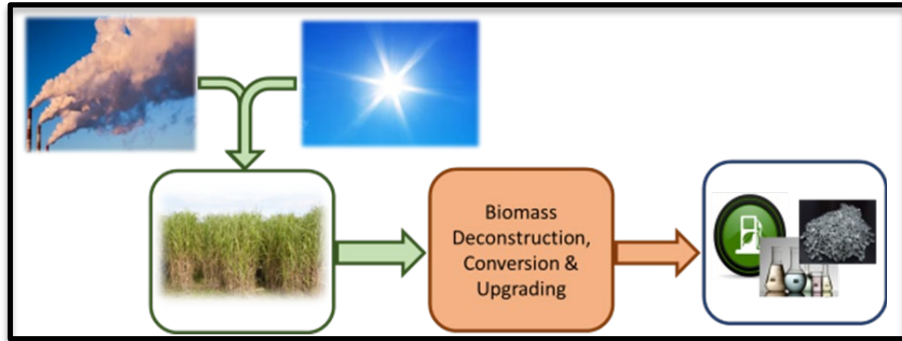
Guide future R&D by defining the key technical challenges, risks, and cost/carbon intensity drivers for utilizing electricity and CO₂ to improve biorefinery carbon utilization

Key Differentiators

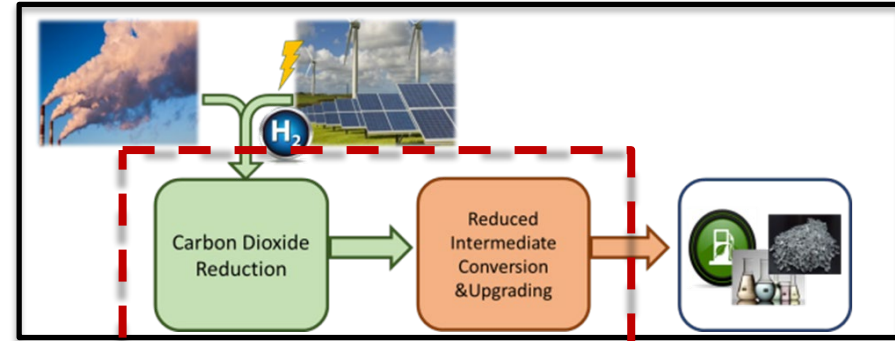
- Focus on the intersection of electricity and biorefinery streams (CO₂)
- Cross-cutting analysis, followed by technology-specific deep dives
- World-class analysis team with deep expertise in modeling emerging technologies with complex chemistry
- In-house chemical and biological conversion experts

1. Management: Key Challenge

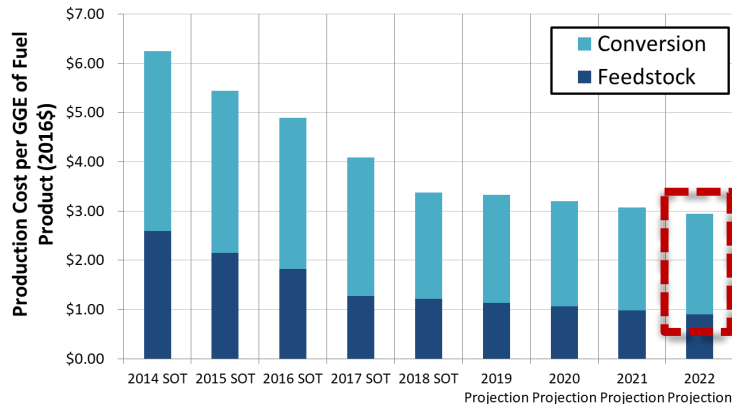
Traditional Biomass System Carbon Flow



Future Vision of Carbon Flow



Biofuel Production Cost (MFSP)



Challenge: Significant uncertainty exists around costs, risks, and technical challenges associated with electron-driven CO₂ reduction

1. Management: Project Structure

Focused on linking technical challenges and risks with impacts on cost and carbon intensity

Task 1: Technical Feasibility

Task Lead: Josh Schaidle

- Perform critical literature review and subject matter expert interviews
- Characterize major technical challenges and highlight critical R&D needs
- Identify and evaluate **technological risks** by developing a risk register, quantifying probability and impact, and developing mitigation strategies with experimental teams



Task 2: Economic Feasibility

Task Lead: Ling Tao

- Develop conceptual process designs and perform TEA
- Integrate CO₂ upgrading strategies with existing biorefinery designs to evaluate impact on MFSP and carbon utilization
- Perform sensitivity/uncertainty analyses based on identified technological risks
- Provide life-cycle inventory data to ANL for **carbon intensity assessment**

Communication: Weekly/biweekly team meetings and monthly meetings with experimental teams and grid integration analysts

1. Management: Collaboration and Community Engagement

Broad community engagement addresses key risk of siloed analysis

- Life-cycle analysis in partnership with ANL (WBS: 4.1.1.10)
 - Provide life-cycle inventory data to ANL based on process designs
- Global CO₂ Initiative (GCI)
 - Includes members from across North America and Europe
 - Josh Schaidle serves on the GCI advisory board
 - Co-organize annual workshop on harmonizing TEA/LCA for CO₂ utilization
 - Contribute to task teams on TEA/LCA integration, defining comparison cases/scenarios, and assessment of emerging technologies
- USDRIVE Tech Team on Net-Zero Carbon Fuels
 - Ling Tao provides process design and analysis support



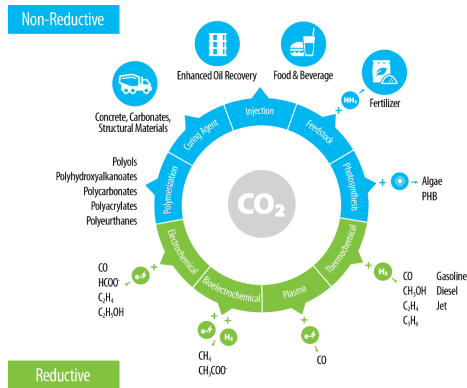
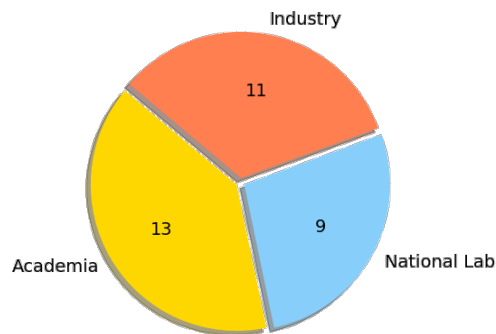
2. Approach: Overarching Strategy

Cross-cutting evaluation of emerging and existing CO₂ reduction technologies followed by deep dives into specific pathways

1st AOP Cycle
FY18
FY19
FY20

Assessed technical feasibility of 5 CO₂ reduction technologies

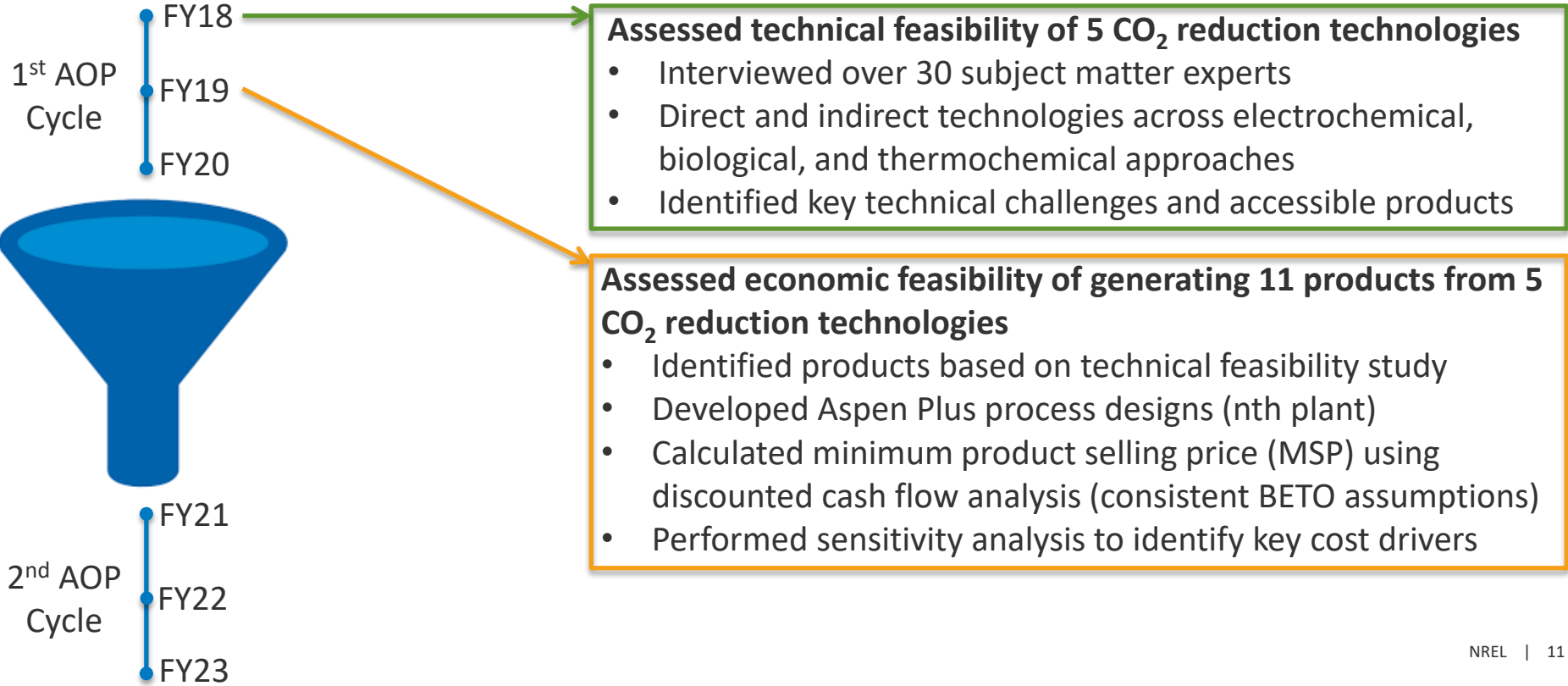
- Interviewed over 30 subject matter experts
- Direct and indirect technologies across electrochemical, biological, and thermochemical approaches
- Identified key technical challenges and accessible products



2nd AOP Cycle
FY21
FY22
FY23

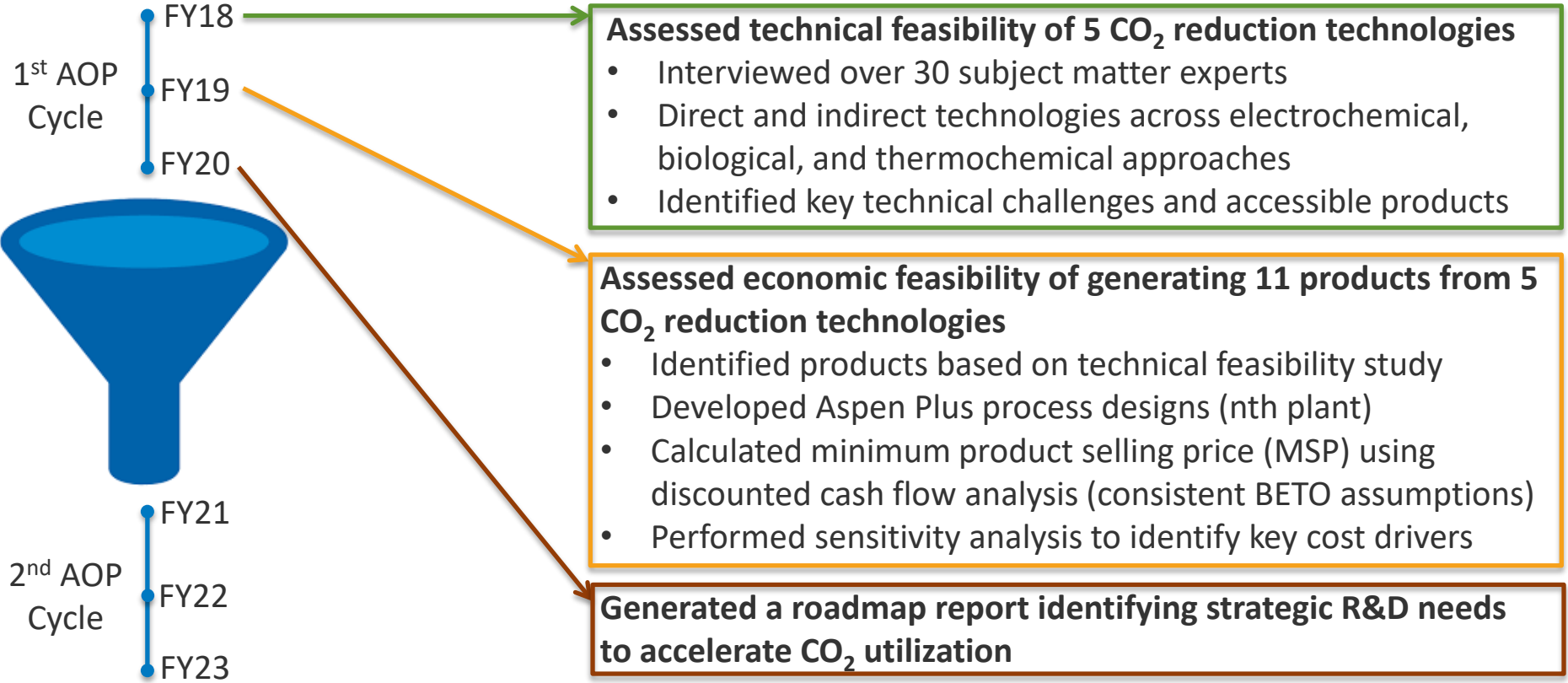
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1st AOP
Cycle

FY18
FY19
FY20



2nd AOP
Cycle

FY21
FY22
FY23

Utilized 3-year AOP merit review cycle in 2020 to respond to 2019 Peer Review feedback

- Encouraged to “narrow the scope of our study”
- “Net carbon balance (intensity) should be analyzed”
- “Quantitative metrics are desired and uncertainty analysis will be helpful when making assumptions”

2. Approach: Overarching Strategy

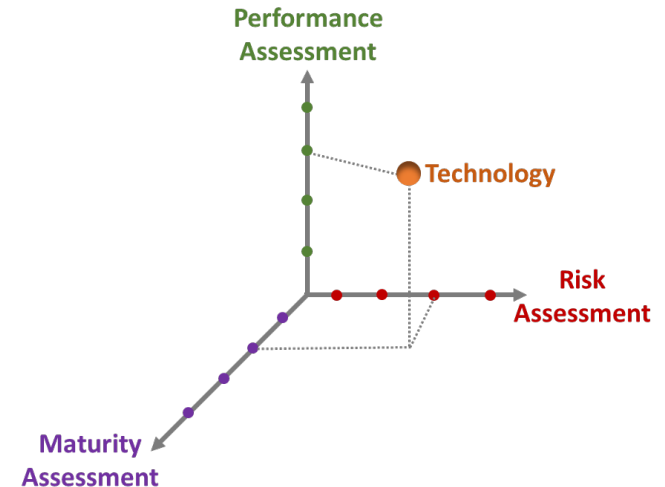
Cross-cutting evaluation of emerging and existing CO₂ reduction technologies followed by deep dives into specific pathways



Establish state-of-technology (SOT) for 2 pathways to end products (FY21, FY22), culminating in a comprehensive design report with biorefinery integration in FY23

- Pathways selected based on technology maturity, prior technical and economic feasibility assessment, R&D opportunity, and relevance to BETO mission
- Establish SOT in close collaboration with experimentalists, industry, and subject matter experts:
 - *Performance*: Cost, carbon intensity (ANL), technical metrics
 - *Maturity*: TRL (unit op and systems level)
 - *Risks*: Technical risk register with mitigation strategies
- Quantify impact of risks through uncertainty and sensitivity analysis

Technology = f (performance, maturity, risks)



3. Impact: Establishing State-of-Technology and Future Targets

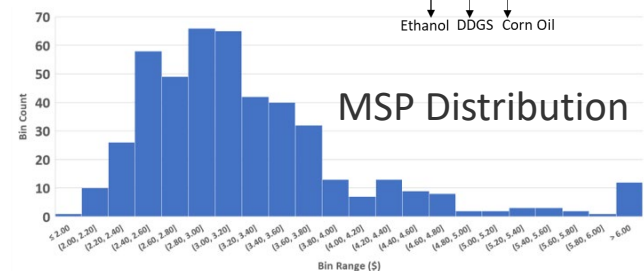
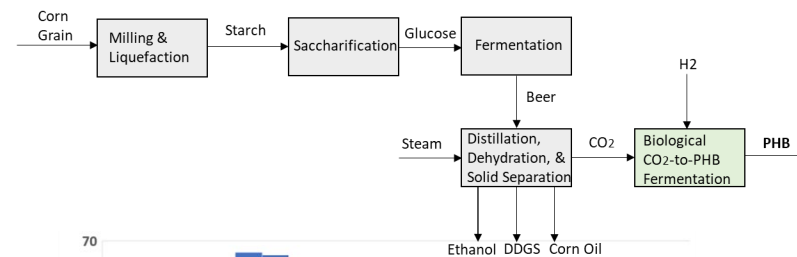
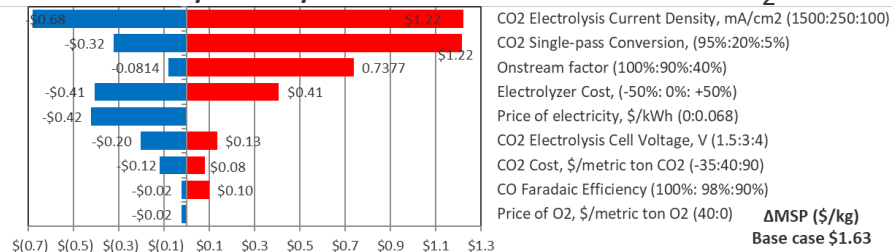
Supporting BETO's pursuit of converting gaseous waste streams into revenue-generating streams

Guiding R&D through identification of key cost and carbon intensity drivers

Integrating CO₂ utilization with biorefinery models to assess impact on MFSP and carbon intensity

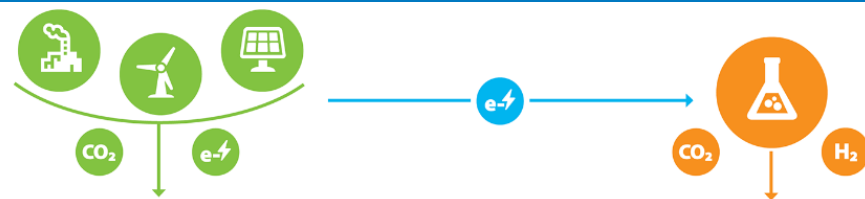
Incorporating risk evaluation and uncertainty analysis into state-of-technology assessments

Sensitivity Analysis for Electrochemical CO₂-to-CO



4. Progress: Cross-Cutting Technical Feasibility

Captured technical challenges, research needs, and TRL of 5 CO₂ reduction technologies in an externally-reviewed report



	DIRECT			FLEXIBLE	INDIRECT	
	Electrochemical		Bioelectrochemical (MES)	Plasma	Bioelectrochemical (Fermentation)	Thermochemical
	C ₁ (TRL: 4-6)	C ₂₊ (TRL: 1-3)	TRL: 1-3	(TRL: 1-3)	TRL: 4-7	TRL: 5-8
Major Technical Challenges	<ul style="list-style-type: none"> Scale up reactor / supporting systems Increase long-term system stability 	<ul style="list-style-type: none"> Improve energy efficiency; reduce cell overpotential Increase selectivity to individual C₂₊ products Increase single-pass CO₂ conversion 	<ul style="list-style-type: none"> Develop fundamental understanding of electron transfer mechanism(s) Raise CO₂ reduction rates Increase product titers and cell toxicity limits Increase CO₂ solubility / current density 	<ul style="list-style-type: none"> Decouple energy efficiency / conversion correlation Raise yield to C₂₊ products Develop commercially viable reactor design 	<ul style="list-style-type: none"> Increase solubility of gaseous reactants Reduce separation costs Increase product titers and cell toxicity limits 	<ul style="list-style-type: none"> Process intensification and scale-down Develop multi-functional water and CO₂ tolerant catalysts Improve product selectivity
Research Needs	<ul style="list-style-type: none"> Transition to gas-phase, membrane electrode assemblies Standardize testing protocols Develop accelerated degradation testing methods Test possible anodic chemistries to replace OER Optimize reaction conditions (electrolyte, pH, mass transport) Develop of new catalytic materials and membranes 	<ul style="list-style-type: none"> Expanded testing of mixed and pure cultures Develop bio-compatible gas diffusion electrodes Genetic engineering 	<ul style="list-style-type: none"> Develop specialized packed-bed catalysts for plasma conditions Electronics development Scalable reactor design 	<ul style="list-style-type: none"> Raise product titers Improve reactant delivery / mixing Develop low-cost <i>in-situ</i> separations 	<ul style="list-style-type: none"> Rapid screening of active materials Improve catalyst performance through promoter additives Intelligent systems integration and reactor design 	
Advantages	<ul style="list-style-type: none"> Commercially deployed for C₁ species Tunable distribution of over 20+ products 100% theoretical conversion of CO₂ High theoretical energy conversion efficiency Access to high-value, high-volume intermediates & products 	<ul style="list-style-type: none"> Can form C-C bonds at ~100% selectivity Specialized chemistry accessible through genetic modifications ~98.6 % theoretical conversion of CO₂ High theoretical energy conversion efficiency 	<ul style="list-style-type: none"> Adaptable to transient usage; quick to reach steady-state Feedstock flexible 100% theoretical conversion of CO₂ 	<ul style="list-style-type: none"> Can form C-C bonds at ~100% selectivity High TRL; deployed commercially ~98.6 % theoretical conversion of CO₂ 	<ul style="list-style-type: none"> Direct access to high volume fuels and chemicals markets Highest TRL; deployed commercially at large-scale Long history of R&D investments; existing infrastructure 	
Limitations	<ul style="list-style-type: none"> Low selectivity to C₂₊ products Reported products limited in carbon number ≤ 4 Low TRL to C₂₊ products Rapid deactivation and limited testing on long-term stability 	<ul style="list-style-type: none"> Low productivity Limited number of direct C₁-C₃ products Poorly understood reaction mechanisms 	<ul style="list-style-type: none"> Low TRL High power demand Low selectivity to C₂₊ products 	<ul style="list-style-type: none"> Poor mass transfer Limited number of direct C₁-C₃ products Large system footprint Lower theoretical energy conversion efficiency 	<ul style="list-style-type: none"> Challenged economics at small-scale Limitations in CO₂ equilibrium conversion Lower theoretical energy conversion efficiency 	

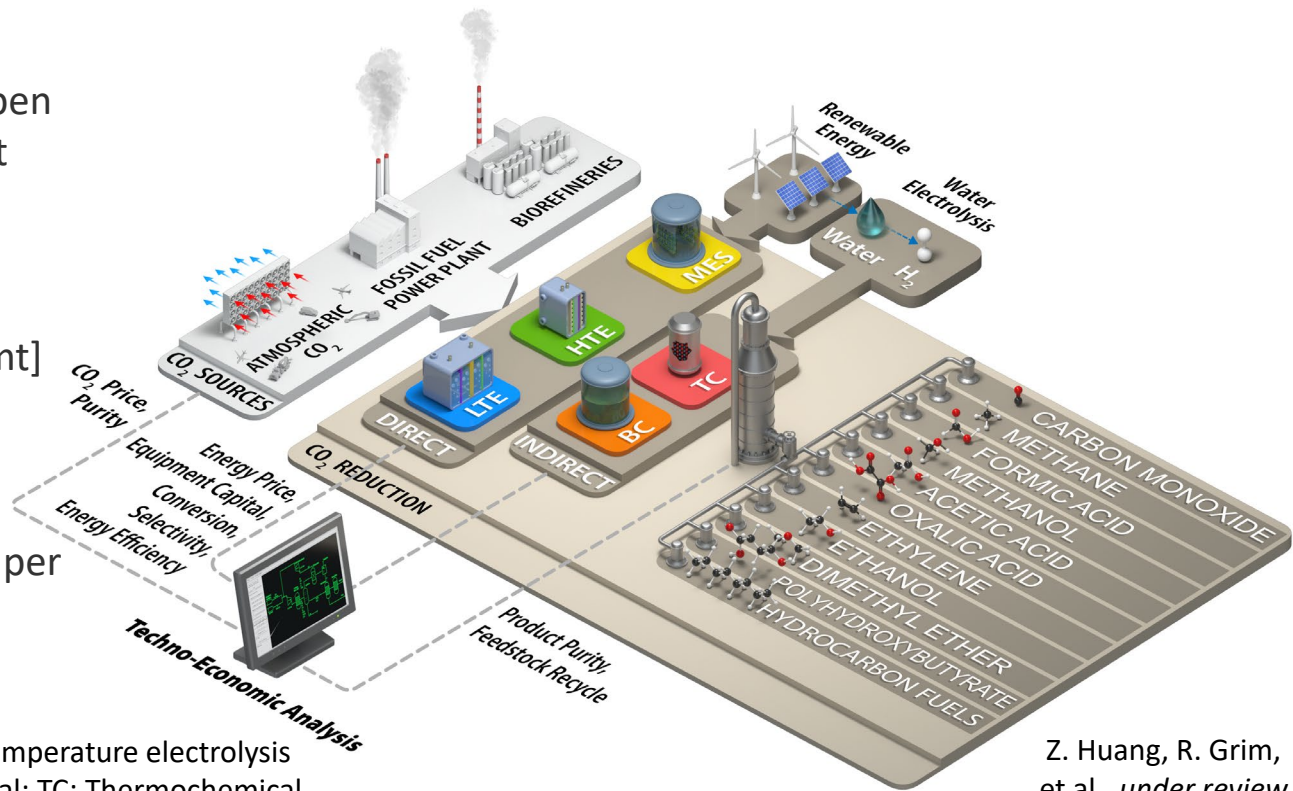
4. Progress: Cross-Cutting Economic Feasibility

Calculated MSP values for products across 5 different (direct and indirect) CO₂ reduction technologies

Three scenarios:

- *Current*: Results published in open literature [\$0.068/kWh; \$40/mt CO₂]
- *Future*: Attainable process improvements or engineering judgements [\$0.03/kWh; \$20/mt]
- *Theoretical*: Thermodynamic limitations [\$0.02/kWh; \$0/mt]

Scale Basis: CO₂ from 200M gallon per year ethanol biorefinery

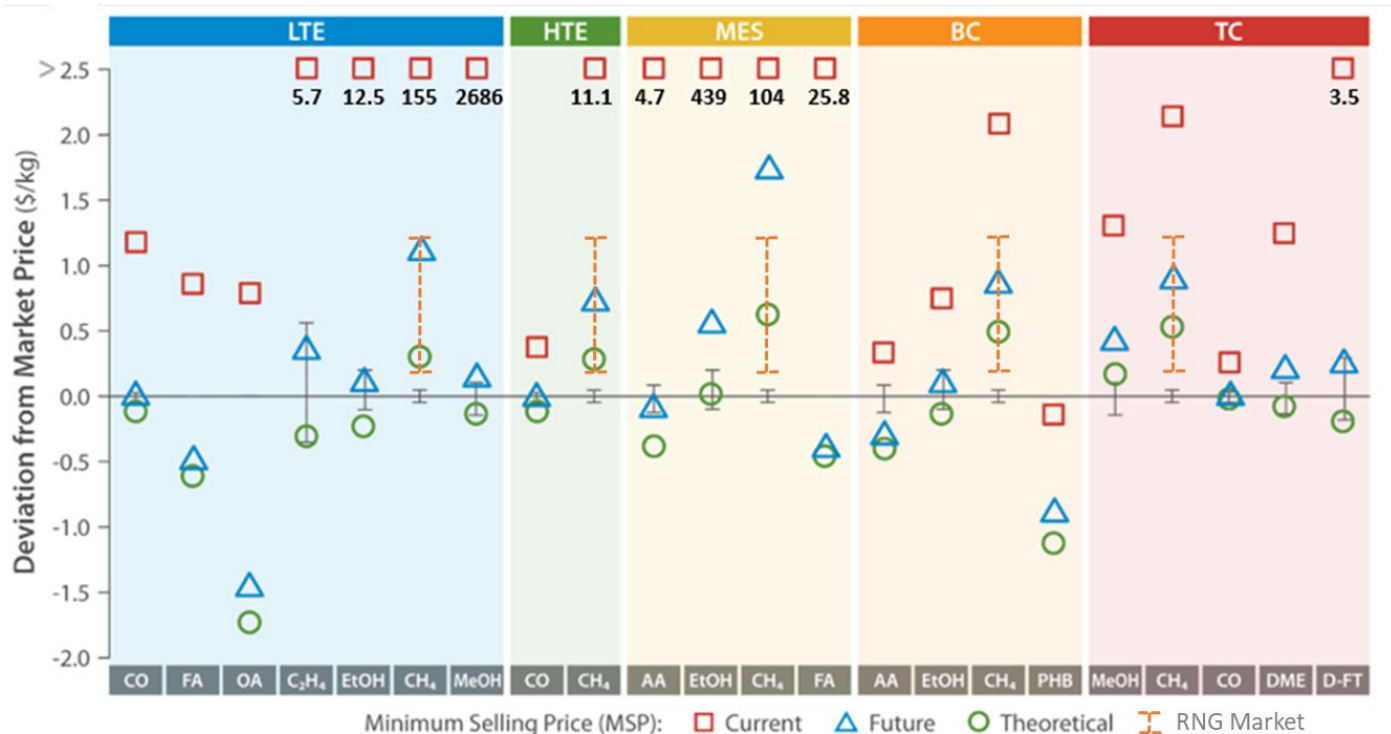


LTE: Low-temperature electrolysis; HTE: High-temperature electrolysis
MES: Microbial Electrosynthesis; BC: Biochemical; TC: Thermochemical

Z. Huang, R. Grim,
et al., *under review*

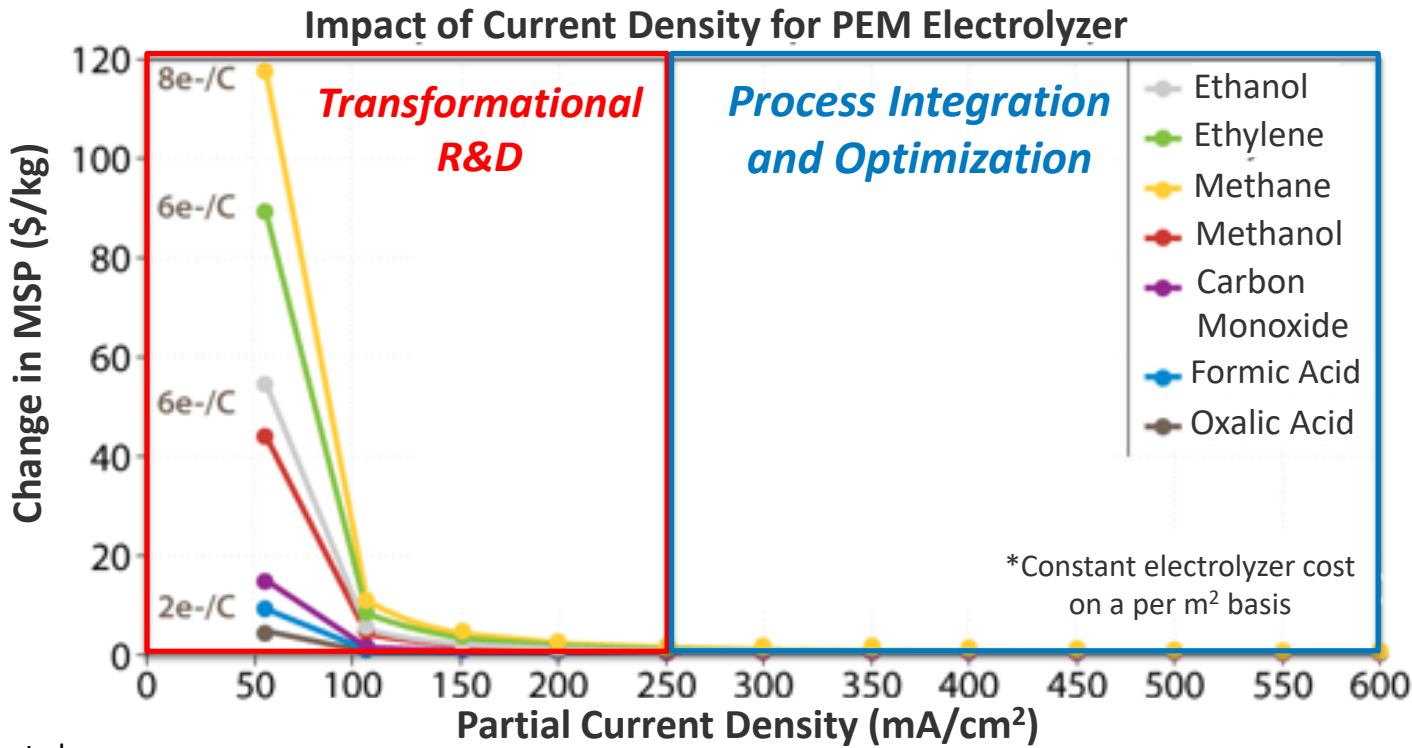
4. Progress: Cross-Cutting Economic Feasibility

Assessed near-term product viability by comparing MSP of 11 products from 5 technologies to market price under Current, Future, and Theoretical scenarios



4. Progress: Cross-Cutting Economic Feasibility

Identified key cost drivers and quantified opportunities for transformational R&D through sensitivity analysis

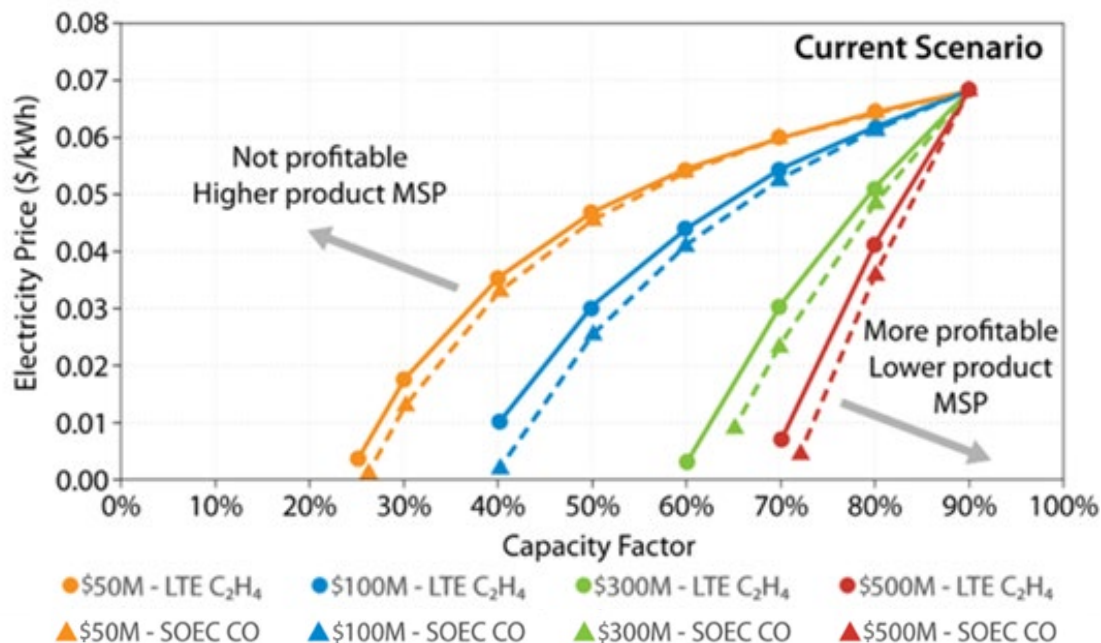


4. Progress: Impact of Intermittency and Onstream Factor

Assessed impact of intermittency on MSP as a function of capital costs and electricity price

Approach:

- Two Cases:
 - LTE C_2H_4 – $6e^-/C$
 - HTE CO – $2e^-/C$
- Defined a range of values for fixed capital (\$50M - \$500M)
- Same models and assumptions as shown earlier for current scenario
- Plotted lines of constant MSP as a function of capacity factor and electricity price



4. Progress: Roadmap of Strategic R&D Needs

Identified strategic R&D needs to accelerate CO₂ utilization by distilling findings across subject matter expert interviews, technical feasibility assessment, and economic feasibility assessment

Identified Strategic R&D Needs

- Assess renewable energy demand and feedstock supply chain for CO₂ reduction at scale
- Continue to advance sustainable hydrogen production
 - Key cost driver for indirect routes
- Raise single-pass CO₂ conversion (avoid CO₂ loss) through improved electrolyzer designs
 - Including electrolytes, electrocatalysts, and membranes
- Pursue opportunities for transformational R&D
- Integrate TEA/LCA to evaluate tradeoffs between cost and carbon intensity
- Accelerate the development of CO₂ electrolyzers
 - Durability testing of industrially-relevant cell architectures
- Establish standardized metrics and performance guidelines
- Assess technical, economic, and carbon intensity risks and uncertainties

***Report submitted
to BETO in FY20 Q4***

Summary

Goal: *Guide existing and future R&D* efforts by defining key technical challenges, risks, cost/carbon intensity drivers, and future technical targets for utilizing renewable electricity and CO₂ to improve biorefinery economics and carbon utilization

Approach and Progress: Connecting key technical challenges and risks with impacts on cost and carbon intensity as a means to *provide actionable information* to R&D teams within BETO and the broader scientific community

Outcomes: (1) FY20 – Develop a *roadmap of strategic R&D needs to accelerate CO₂ utilization* and (2) FY23 – Develop and publish a *comprehensive design report* for the integration of CO₂ utilization into two existing conceptual biorefinery designs, with inclusion of outyear targets

Impact: *Foundational analysis to guide decarbonization* of fuels and chemical production

Relevance to Bioenergy Industry: Identify risks and opportunities for leveraging low-cost electricity to improve biorefinery carbon utilization

Acknowledgements



Office of **ENERGY EFFICIENCY
& RENEWABLE ENERGY**

BIOENERGY TECHNOLOGIES OFFICE

Team members and contributors:

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Zhe Huang	Jack Ferrell
Gary Grim	Randy Cortright
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Thank You

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Acronyms

- AA – Acetic Acid
- ANL – Argonne National Laboratory
- AOP – Annual Operating Plan
- BC – Biochemical
- CD – Current density
- DDGS – Distiller’s dried grains with solubles
- D-FT – Direct Fischer-Tropsch Hydrocarbons
- DME – Dimethyl Ether
- EtOH - Ethanol
- FA – Formic Acid
- FE – Faradaic Efficiency
- FY – Fiscal Year
- GCI – Global CO₂ Initiative
- HTE – High-temperature electrolysis
- LCA – Life-cycle assessment
- LTE – Low-temperature electrolysis
- MeOH - Methanol
- MES – Microbial electrosynthesis
- MESP – Minimum Ethanol Selling Price
- MFSP – Minimum Fuel Selling Price
- MGY – Million gallons per year
- MSP – Minimum Product Selling Price
- mt – Metric ton
- Mt – million tons
- OA – Oxalic Acid
- PHB - Polyhydroxybutyrate
- SOT – State of Technology
- TEA – Technoeconomic Analysis
- TC - Thermochemical
- TRL – Technology Readiness Level

Additional Slides

Responses to Previous Reviewers' Comments

Our Overarching response to 2019 Peer Review:

“We agree with the reviewers that further depth is needed in specific technical areas and that the results need to be broadly disseminated through peer-reviewed publications; we are working diligently to address these comments. While we acknowledge that the scope of the initial study is fairly broad (spanning across five different direct and indirect CO₂ reduction technologies), we believe that the cross-cutting nature of this analysis is critical to its value creation for the research community. Moving forward, we plan to dive deeper into specific technologies, especially in regards to integration of these technologies with existing biorefinery designs.”

Please also see slide 13.

Publications, Patents, Presentations, Awards, and Commercialization

- Publications:
 - G. Grim, Z. Huang, M. Guarnieri, J. Ferrell, L. Tao, J. Schaidle, “Transforming the Carbon Economy: Challenges and Opportunities in the Convergence of Low-Cost Electricity and CO₂ Utilization”, *Energy & Environmental Science*, 13 (2020) 472-494.
 - V. Sick, K. Armstrong, G. Cooney, L. Cremonese, A. Eggleston, G. Faber, G. Hackett, A. Katelhon, G. Keoleian, J. Marano, J. Marriott, S. McCord, S. Miller, M. Mutchek, B. Olfe-Krautlein, D. Ravikumar, L. Roper, J. Schaidle, T. Skone, L. Smith, T. Strunge, P. Styring, L. Tao, S. Volker, A. Zimmerman, “The Need for and Path to Harmonized Life Cycle Assessment and Techno-economic Assessment for Carbon Dioxide Capture and Utilization”, 8 (2020) 1901034.
 - Z. Huang, G. Grim, J. Schaidle, L. Tao, “Using Waste CO₂ to Increase Ethanol Production from Corn Ethanol Biorefineries: Techno-Economic Analysis”, *Applied Energy* 280 (2020) 115964.
 - F. Lucas, G. Grim, S. Tacey, C. Downes, J. Hasse, A. Roman, C. Farberow, J. Schaidle, A. Holewinski, “Electrochemical Routes for the Valorization of Biomass-Derived Feedstocks: From Chemistry to Application”, *ACS Energy Letters*, in press.
 - Z. Huang, G. Grim, J. Schaidle, Ling Tao, “The Economic Outlook for Converting CO₂ and Electrons to Molecules”, under review.
- Selected Presentations:
 - Z. Huang, G. Grim, J. Ferrell, M. Guarnieri, L. Tao, J. Schaidle, “Assessing the Technical and Economic Feasibility of Electron-Driven CO₂ Reduction”, Closing the Carbon Cycle Webinar Series, Idaho National Lab, December 11th, 2020.
 - Z. Huang, G. Grim, J. Ferrell, M. Guarnieri, L. Tao, J. Schaidle, “What is the Technical and Economic Feasibility of Utilizing Electricity-Driven CO₂ Reduction to Transform our Carbon Economy?”, European Biomass Conference and Exhibition, July 8th, 2020.
 - Z. Huang, G. Grim, J. Ferrell, M. Guarnieri, L. Tao, J. Schaidle, “Technical and Economic Feasibility of Electron-Driven CO₂ Reduction”, AIChE Annual Meeting, Orlando FL, November 19th, 2019.
- Other Relevant Activities:
 - Organizer for a workshop titled “Reactive CO₂ Capture: Process Integration for the New Carbon Economy”, February 17th-19th, 2020 – attended by over 100 subject matter experts across industry, academia, and national labs
 - Co-Chair of “CO₂ Upgrading: Reduction and Hydrogenation” session at AIChE Annual Meeting in Fall 2020