



# Affordable Carbon Neutral Synthetic Kerosene Enabled by Electrochemistry

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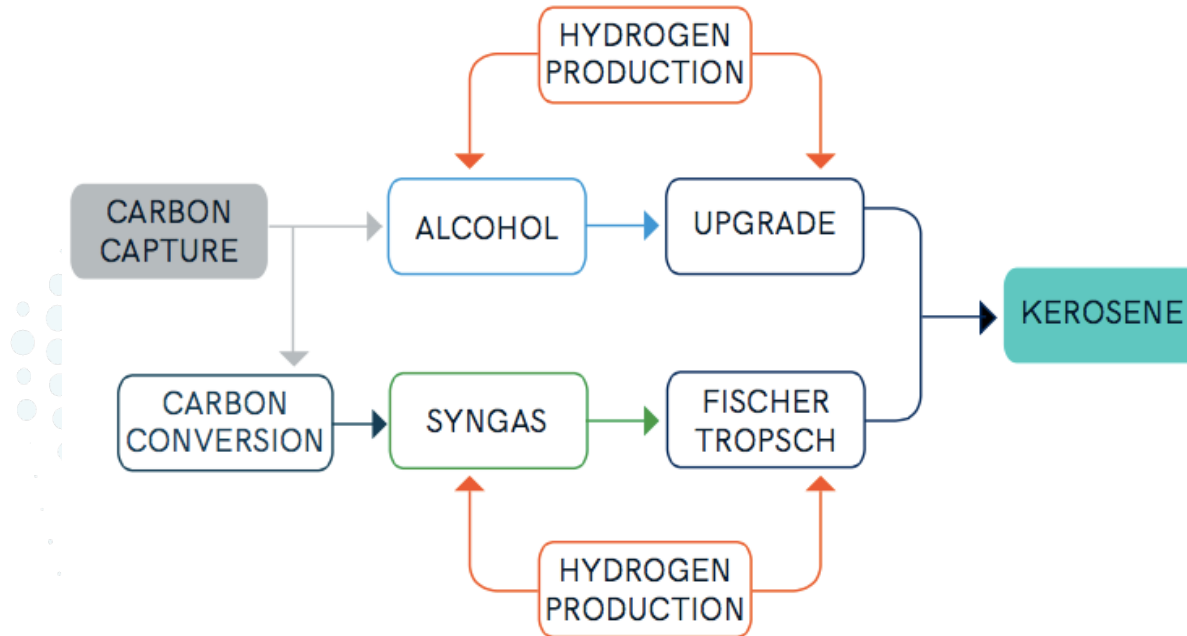
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## For the energy transition in aviation, synthetic fuels seem the only solution to deliver significant emission reduction on the medium term

- Aviation has grown historically with 4-5% a year, and this growth is expected to continue
- Currently planes use fossil kerosene as a fuel and they emit CO<sub>2</sub> (2-3% of worldwide anthropogenic CO<sub>2</sub> emissions)
- If nothing changes, the CO<sub>2</sub> emissions of aviation will strongly increase
- In the transition to a climate neutral society aviation deserves our attention, and should be looked in low carbon or zero carbon options
- Electric planes are expected to enter the market after 2030, with limited capacities (50-100 people) and range (1,000 km)
- Although kerosene from biomass is available, it is not CO<sub>2</sub> neutral and often difficult to scale up or competing with other land use
- Alternatively one can make synthetic kerosene from upcycled or re-cycled CO<sub>2</sub> and renewable H<sub>2</sub>, to enable a medium term CO<sub>2</sub> reduction
- We looked into this last route in detail with Tata Steel, Shell, KLM, Port of Amsterdam, TenneT, Koole Terminals, Oiltanking, TKI E&I and Sannegeest

By capturing CO<sub>2</sub> from a carbon source, converting it to CO and adding renewable H<sub>2</sub>, one obtains kerosene after synthesis & upgrading



- The syngas pathway has been demonstrated, the alcohol pathway only for gasoline
- The carbon source can be an industrial point source onto which carbon capture is applied, or the air via Direct Air Capture (DAC)
- With carbon capture from a point source CO<sub>2</sub> chain emissions are reduced by 55%, while DAC results in 100% CO<sub>2</sub> reduction



**We use a custom-built techno-economic model, validated by experts, to determine the most promising production pathways and costs**

- We built a techno-economic model which evaluates the synthetic kerosene production costs for various production pathways in 2030
- The model includes the Reverse Water Gas Shift and CO<sub>2</sub> electrolysis as carbon conversion options in the syngas pathway
- For the alcohol pathway it considers methanol (ethanol is discussed in the report)
- For DAC both amine and hydroxide solution systems are considered
- Data have been obtained from academic papers, technology developers and industry
- The model and its data have been validated by various parties, including the Shell New Energies research team in Amsterdam

## The most promising production pathway includes water and CO<sub>2</sub> electrolysis and FT synthesis and upgrading and offers flexibility features

- Using the model to explore the sensitivities of the various pathways, we found the following to be the most promising
  - CO<sub>2</sub> and CO are captured from Tata Steel's Blast Furnace or Basic Oxygen Furnace and/or CO<sub>2</sub> is captured from the air
  - CO<sub>2</sub> is electrochemically reduced to CO by a PEM electrolyser with proprietary catalyst (developed by Opus 12 and Haldor Topsoe)
  - Renewable H<sub>2</sub> is produced through water electrolysis (PEM system) with renewable electricity
  - Resulting syngas is fed into FT reactor and upgraded to kerosene
- It is operated as follows:
  - CO<sub>2</sub> capture and FT synthesis & upgrading are operated continuously
  - Electrolysis is operated flexibly; to match its volatile output with the continuous input for FT, H<sub>2</sub> is stored in a salt cavern
- This pathway offers electricity balance features and can work with both electricity shortage and excess!

## Synthetic kerosene from off gases is more expensive than fossil kerosene in a 2030 reference scenario, but could reach price parity

- In a reference scenario synthetic kerosene (from Tata Steel's waste gases) costs are higher than fossil kerosene costs, with parameters
  - An average electricity price of €0.04/kWh
  - An average oil price of \$80/bbl
  - A CO<sub>2</sub> ETS price of €0/t CO<sub>2</sub>
- With this kerosene costs flight ticket prices would increase by 25-50% and CO<sub>2</sub> abatement costs would amount to €110/t CO<sub>2</sub>
- The synthetic kerosene cost is mainly dependent on the electricity price, and the fossil kerosene cost on the crude oil price
- With relatively minor (<25%) changes price parity between these options can be reached, which happens at (for instance)
  - An average electricity price of €0.03/kWh instead of €0.04/kWh
  - An average oil price of \$100/bbl instead of \$80/bbl
  - A CO<sub>2</sub> ETS price of €20/t CO<sub>2</sub>
- Then tickets cost the same and CO<sub>2</sub> abatement costs are €0/t CO<sub>2</sub>
- In a reference scenario but with an electricity price of €0.015/kWh (lowest tender in ME), synthetic kerosene would be cheaper

## In North-Holland virtually everything is present for kerosene production: CO<sub>2</sub>, water, electricity landing, transport infrastructure and demand

- With Tata Steel there is a large carbon source in North Holland: 9.1 Mton CO<sub>2</sub>-eq
  - With this quantity of CO<sub>2</sub>, 50% of planes which fueled at Schiphol in 2016 could be supplied with synthetic kerosene
  - With 5,000 FLH for electrolyzers and 20% overcapacity for wind peaks, this would call for 10 GW of electrolyzers for H<sub>2</sub> production and 2 GW for CO<sub>2</sub> conversion
- With 't IJ and the North Sea there is plenty of water for electrolysis
- Electricity produced at 'new' offshore wind farms near the North Holland coast lands in North Holland
- In the Port of Amsterdam the infrastructure and facilities for kerosene storage and transport are already in transport
- With a direct pipeline Schiphol Airport (consuming some 160 PJ or 3.5 Mton of kerosene) is supplied with kerosene
- In short, North Holland seems an excellent location for synthetic kerosene production if this is deemed economically viable



## **Synthetic kerosene offers significant emission reduction and flexibility at reasonable to competitive cost; next steps are being taken**

- Synthetic kerosene is a (possibly final) solution to significantly reduce aviation's CO<sub>2</sub> emissions that has already been demonstrated
- Its production process is part flexible, allowing electricity balancing
- Its cost depend mainly on the electricity price, and in a 2030 reference scenario it is more expensive than fossil kerosene, but not very much
- With renewables costs coming down worldwide (SA & MX bids of < \$0.02/kWh), so would synthetic kerosene costs
- A follow-up project is being started up to look in more detail at the synthetic kerosene market, technologies and plant requirements
- This solution is included in the draft proposal for the NZKG table in the Dutch Climate Agreement

*The model and report are available on [kalavasta.com/pages/projects/aviation.html](https://kalavasta.com/pages/projects/aviation.html)*



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