**Co-Optima Capstone Webinar Series** 

What environmental and economic benefits might be realized by cooptimizing fuels and engines for medium- and heavy-duty vehicles?

Troy R. Hawkins – Argonne National Laboratory



#### CO-OPTIMIZATION OF FUELS & ENGINES

better fuels | better vehicles | sooner

June 24, 2021





### Overview



#### Background

- Goal
- Key Takeaways
- Research Approach
- Notable Outcomes
- Next Steps

NOTICE: This webinar, including all audio and images of participants and presentation materials, may be recorded, saved, edited, distributed, used internally, posted on DOE's website, or otherwise made publicly available. If you continue to access this webinar and provide such audio or image content, you consent to such use by or on behalf of DOE and the Government for Government purposes and acknowledge that you will not inspect or approve, or be compensated for, such use.

### Better fuels. Better engines. Sooner.



### BACKGROUND Motivation



Society needs costeffective, clean, lowcarbon powertrains for applications that require:

- Long range
- Rapid re-energizing
- Light weight
- Compact size







### **Potential solutions:**

- Electric motors powered by
  - **Batteries** (cons: expensive, heavy, large)
  - Fuel cells (cons: expensive, low energy density of H<sub>2</sub> fuel, current high net CO<sub>2</sub>)
- Diesel engines powered by
  - **Petroleum fuels** (cons: greenhouse gas [GHG] emissions, toxic emissions)
  - Low-carbon fuels (cons: toxic emissions, expensive)



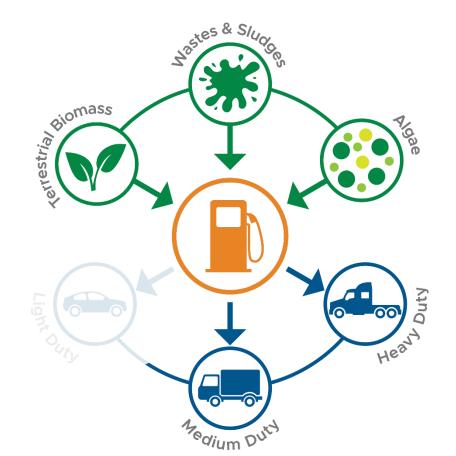
### BACKGROUND Why diesel?



- Cost-effective ✓ High efficiency ✓
- Easy to control ignition timing
  - Fuel-flexible 🗸
- High torque & power density
  - Low cyclic variability  $\checkmark$ 
    - Durable & reliable 🗸
- Low hydrocarbon & CO emissions
  - Low carbon dioxide emissions 🗶
    - Low soot emissions 🗶
- Low nitrogen oxides (NO<sub>x</sub>) emissions  $\mathbf{X}$

### BACKGROUND

# Seeking sustainable fuel-engine combinations



- Focus on liquid fuels
- Identify blendstocks
- Consider non-food-based biofuel feedstocks
- Assess well-to-wheels impacts for biofuel options
- Generate insights on value to refiners, trajectory of vehicle adoption, and socio-economic benefits
- Provide data, tools, and knowledge

## Goal

Identify cost-effective, low-carbon drop-in biofuels for diesel engines and quantify their potential costs and benefits at scale.



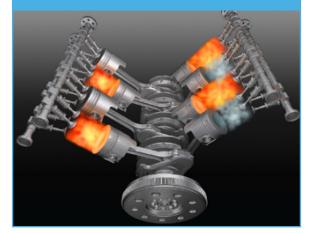
### **OBJECTIVE** Quantify potential benefits of scaling up



# What fuels do engines *really* want?

# What fuel options work best?

# What will work in the real world?







Photos courtesy of iStock

### GOAL

### Inform R&D and commercialization decisions

#### Goals

- Evaluate selected bioblendstocks.
  - Environmental benefits and tradeoffs
  - Economic drivers
  - Scalability potential
- Quantify benefits and tradeoffs at scale
  - Potential for purchase by consumers
  - Environmental and employment effects

#### Impact

 Stakeholders understand the costs and benefits of co-optimized fuelengine strategies and can make informed decisions regarding commercialization and further R&D.



## **Key Takeaways**

Low-carbon biofuels could be produced at near-competitive prices to enable clean diesel vehicles



### TAKEAWAYS We're well on the path to achieving the goal (

- With further development, biofuels for diesel engines could be produced for ~\$3-4/GGE with life cycle GHG emissions >60% less than diesel.
- High-cetane, low-sulfur biofuels have potential to drive blending by refiners to meet stringent specifications such as California Diesel Fuel.
- Biofuels and ducted fuel injection have potential to significantly reduce  $NO_x$  and PM emissions, enabling clean diesel vehicles.
- Decarbonizing heavy-duty transportation is challenging and costly. Lowcarbon biofuels offer a path forward with favorable marginal CO<sub>2</sub> abatement costs.

## **Research Approach**

Quantify the cost and environmental effects of using bioblendstocks in advanced diesel engines. Model vehicle choice and effects at scale.



### **APPROACH** Analysis of costs and benefits across scales



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, and environmental effects of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



Adoption and Scale Up How would co-optimized biofuels and engines sell in the heavy-duty market?

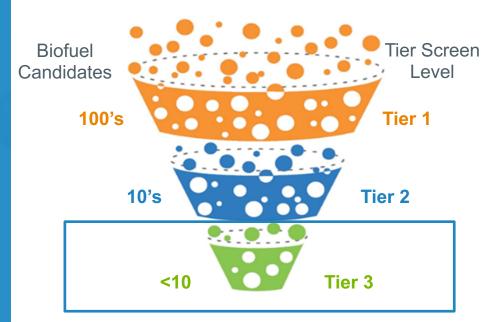


Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

### APPROACH Select fuel pathways to evaluate

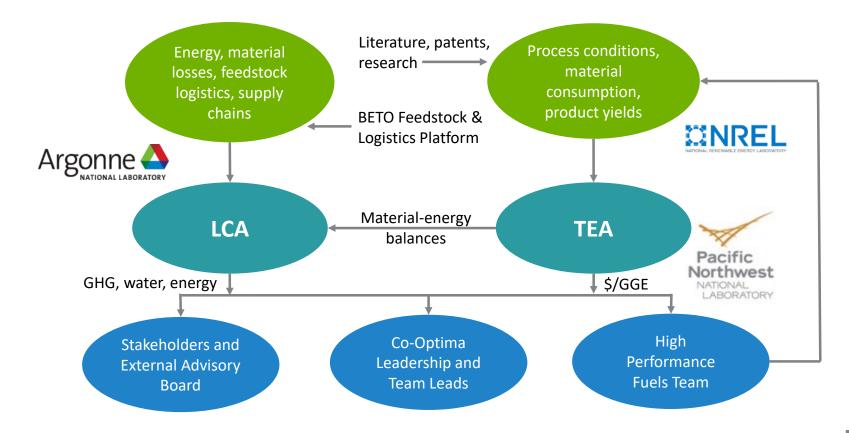
#### Down-select performance-enhancing fuels

- Based on properties from Advanced Engine
  Development and Fuel Properties teams
- Select promising feedstocks
- Develop process models
  - In consultation with High Performance Fuels team.
  - Consider a diverse set of production methods, chemical structures, and feedstocks.
- Calculate key metrics
  - Minimum fuel selling price (MFSP)
  - GHG emissions
  - Water use
  - Energy use



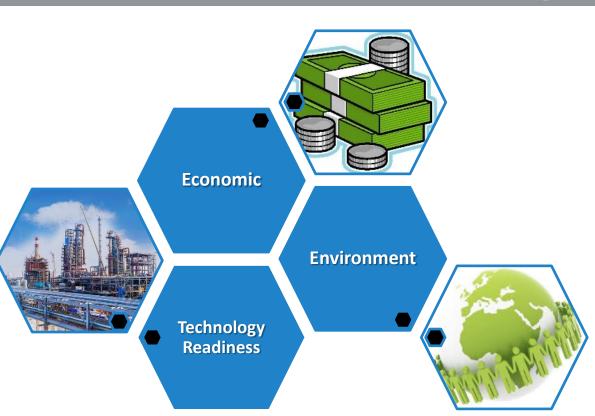
### **APPROACH** TEA and LCA inform research direction





### **APPROACH** Metrics to classify scale-up potential

- Economic, environmental, and scalability metrics
- Current baseline and future target cases
- 19 metrics characterized as
  - Favorable
  - Neutral
  - Unfavorable
  - Unknown



### APPROACH

### Evaluate biofuels against cost, environmental, and scalability considerations

Cost Metrics - TEA	Environmental Metrics – LCA	Scalability Metrics	
Baseline cost	Carbon efficiency, baseline	Process modeling data source	
Target cost	Carbon efficiency, target	Sensitivity of production process to feedstock type	
laiget cost	Conversion yield, baseline, GGE/dry		
Baseline-to-target cost ratio	ton feedstock	Conversion robustness to feedstock	
% of price dependent on co-products	Conversion yield, target, GGE/dry ton feedstock	variability	
	Life-cycle GHG reduction compared with conventional fuel, target	Blending behavior with conventional fuel	
Market competition for the bioblendstock and precursors	Life-cycle fossil energy reduction compared with conventional fuel, target	Bioblendstock underwent testing towards certification	
Feedstock cost	Life-cycle water consumption	Legal limits to blend level	

### APPROACH Analysis of costs and benefits across scales



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



Adoption and Scale Up How would co-optimized biofuels and engines sell in the heavy-duty market?



Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

### **APPROACH** Refineries reoptimize to blend biofuels



**Techno-Economic Analysis** Quantifies production cost for bio-blendstocks **Refinery Impact Analysis** Quantifies bio-blendstock value to refiners

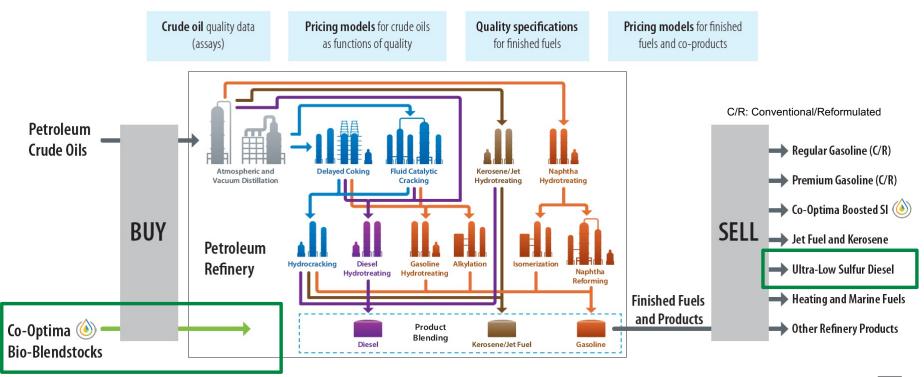
Benchmark against business-as-usual case, quantify

- refinery-wide cost of blending biofuels
- environmental performance of refinery products

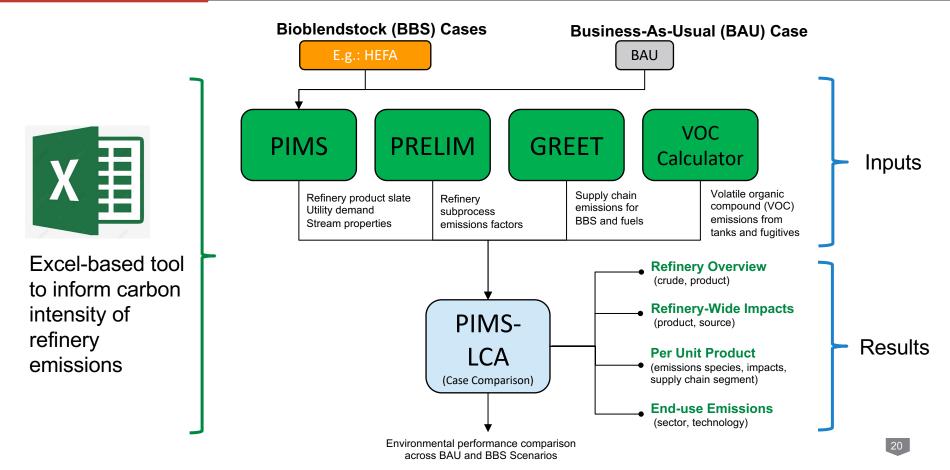
 Identify fuel properties that would generate market pull from refiners

 Determine cost and sustainability implications

### **Overview of Commercial Refinery Modeling Scope in Aspen PIMS**



### APPROACH Coupled LCA to model environmental impact (



### APPROACH Analysis of costs and benefits across scales



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



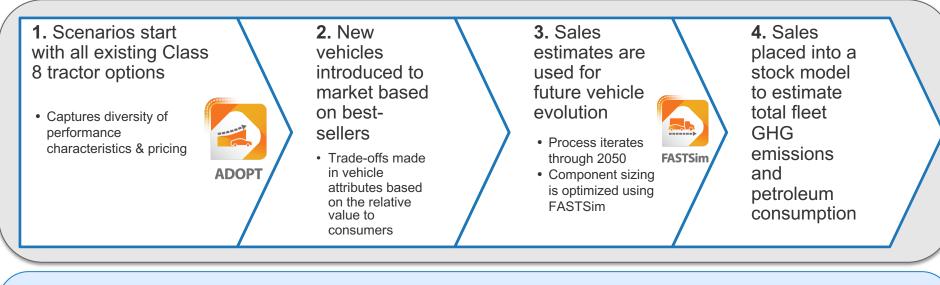
Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?



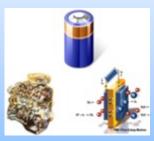
Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

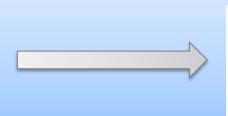
### APPROACH HD fleet projected by vehicle choice model



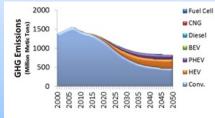


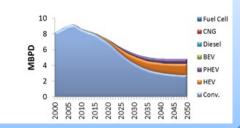
**Technical Targets** 





#### Vehicle Emissions and Energy Consumption





### APPROACH Analysis of costs and benefits across scales



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?

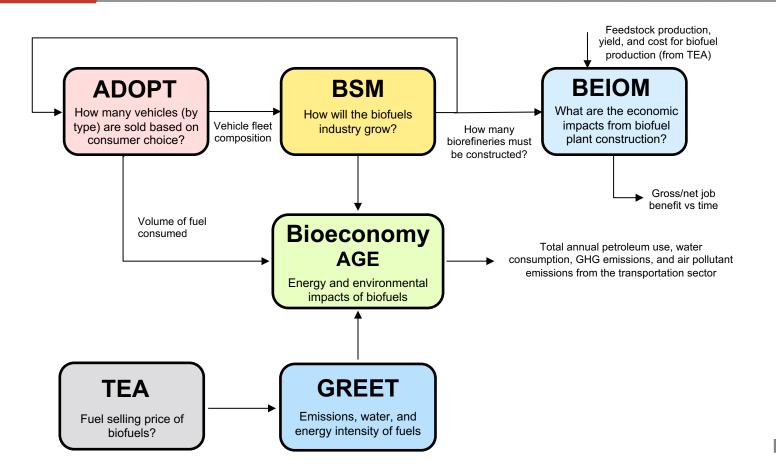


Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?



Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

### APPROACH Integrated tools evaluate cumulative benefits (



24

## **Notable Outcomes**

- Low-carbon biofuels could be produced at near-competitive prices.
- There is potential for market pull by refiners.
- Biofuels can reduce GHGs for trucks already on the road, while advanced engines have additional NO<sub>x</sub>/PM benefits.



### **OUTCOMES** Environmental, cost, and scalability metrics



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?

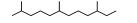


Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

### **OUTCOMES** Screening identified 13 promising MCCI biofuels



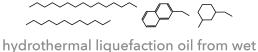
#### Hydrocarbons



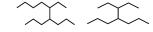
farnesane



Fischer-Tropsch diesel

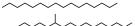


isoalkanes made from ethanol



isoalkanes via volatile fatty acids from food waste

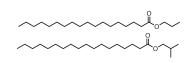
hydrothermal liquefaction oil from wet waste, algae, and algae-wood blends



hydroprocessed esters and fatty acids (renewable diesel)

short chain esters from oilseed crops

**Esters** 



fatty acid methyl esters/biodiesel

fatty acid fusel esters

#### **Ethers**



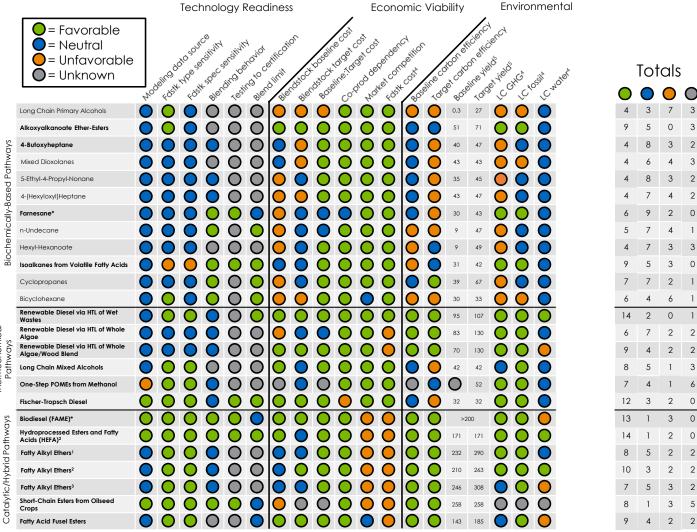
4-butoxyheptane

,0,\_0,\_0,\_\_

polyoxymethylene ethers (POMEs)

alkoxyalkanoates

fatty alkyl ethers





### **OUTCOMES** Reducing cost is a key challenge

#### **Minimum Fuel Selling Price** Long Chain Primary Alcohols (BC) • 4-Butoxyheptane (BC) Bicyclohexane (BC) Mixed Dioxolanes (BC) 4-(Hexyloxyl)Heptane (BC) 5-Ethyl-4-Propyl-Nonane (BC) . n-Undecane (BC) Short Chain Ester from Oilseed Crops (CL) Cyclopropanes (BC) Hexyl-Hexanoate (BC) Long Chain Mixed Alcohols (TC) Renewable Diesel (HEFA) Renewable Diesel via HTL of Whole Algae (TC) • One-Step POMEs from Methanol (TC) • || Isoalkanes from Volatile Fatty Acids (BC) Fatty Alkyl Ethers 3 (SO) (CL) Fatty Alkyl Ethers 1 (Mix) (CL) Fatty Alkyl Ethers 2 (YG) (CL) Fatty Acid Fusel Esters (TC/CL) Fischer-Tropsch Diesel (TC) . Renewable Diesel via HTL of Algae/Wood Blend (TC) • Renewable Diesel via HTL of Wet Wastes (TC) Alkoxyalkanoate Ether-Esters (BC) Favorable Unfavorable Neutral Conversion (CAPEX) Feedstock ■ Upgrading and Recovery (CAPEX) Conversion (OPEX) ■ Upgrading and Recovery (OPEX) Utilities/Anci ary Units (CAPEX) Utilities/Ancillary Units (OPEX) Co-Product ( redits

Net MFSP

## Feedstock costs contribute significantly to MFSP

 Identifying waste pathways could reduce cost

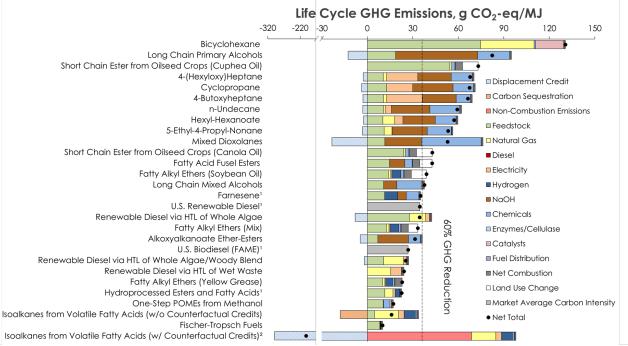
## Conversion costs highest for biochemical pathways

- Caustic used in pretreatment
- Glucose used in enzyme production

## Co-product credits are typically low

## Upgrading and recovery costs typically low

### **OUTCOMES** Potential for significant GHG reductions



## ...but not guaranteed for all biofuels

Variety of feedstocks and pathways could provide low-carbon MCCI fuels

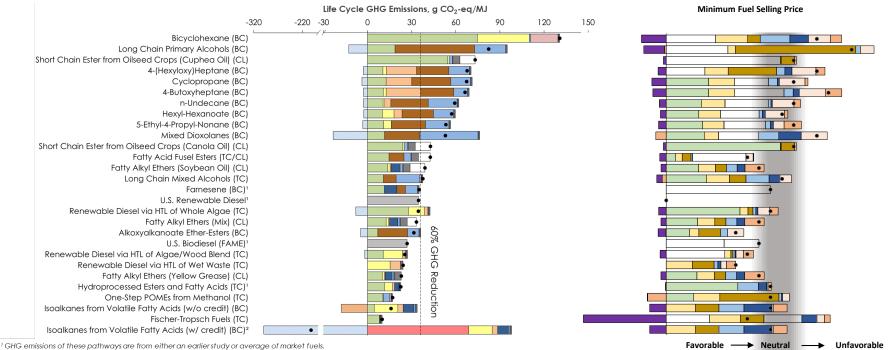
## Opportunities to improve GHG emissions

- Feedstock production
- NaOH for feedstock pretreatment
- Chemical inputs

<sup>1</sup> GHG emissions of these pathways are from either an earlier study or average of market fuels.

<sup>-2</sup> The negative GHG emissions from the "Isoalkanes from Volatile Fatty Acids" pathway is because of the credits of avoided emissions from landfill of the food waste feedstock.

#### Potential for significant GHG reductions **OUTCOMES**

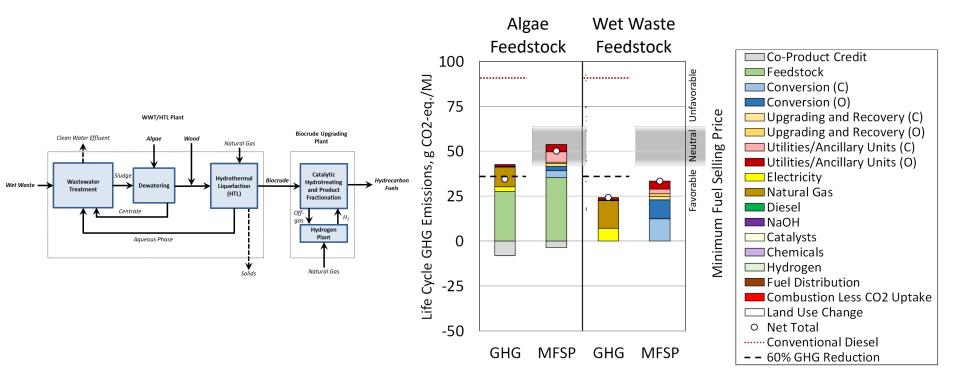


<sup>2</sup> The negative GHG emissions from the "Isoalkanes from Volatile Fatty Acids" pathway is because of the credits of avoided emissions from landfill of the food waste feedstock.

Displacement Credit	Carbon Sequestration	Non-Combustion Emissions	■ Feedstock	□ Feedstock	□ Conversion (CAPEX)
Natural Gas	Diesel	Electricity	Hydrogen	Conversion (OPEX)	Upgrading and Recovery (CAPEX)
■ NaOH	Chemicals	Enzymes/Cellulase	Catalysts	Upgrading and Recovery (OPEX)	Utilities/Ancillary Units (CAPEX)
Fuel Distribution	Net Combustion	Land Use Change	■ Market Average Carbon Intensity	Utilities/Ancillary Units (OPEX)	■ Co-Product Credits
• Net Total				■Unknown Breakdown	■ Market Cost Variation
				Net MFSP	

### **OUTCOMES** Opportunity for hydrothermal liquefaction

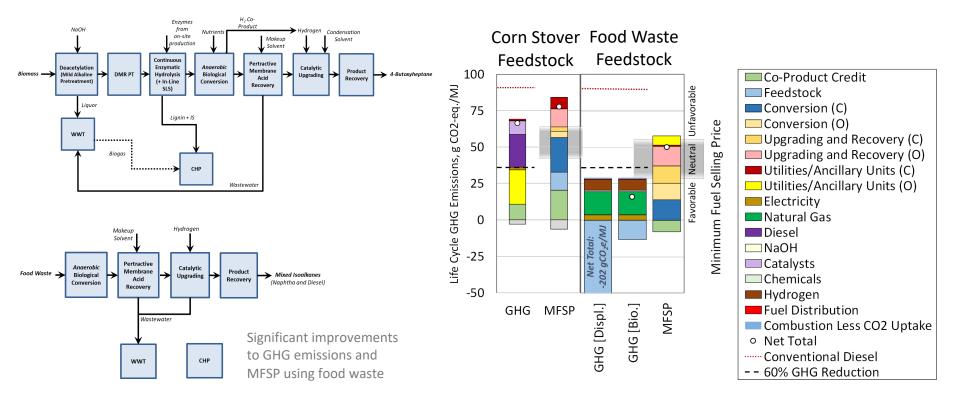




Comparison of life-cycle GHG emissions and MFSP breakdowns for two HTL pathways. Using wet waste feedstocks (right) can significantly reduce both cost and emissions versus algae (left) or lignocellulosic feedstocks.

### **OUTCOMES** Isoalkanes and acids pathways





### OUTCOMES

# Renewable diesel from waste with very low GHGs for less than \$4.50/GGE



## Hydrothermal liquefaction of swine manure

• GHG reduction >100% due to avoided emissions from manure management

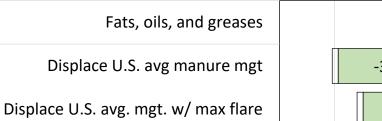
Manure

• MFSP ~\$3.60/gge drops to \$3.10/gge when scaled to

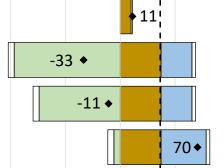
250 tonnes/dav

# Hydroprocessing of fats, oils, & greases

- GHG reduction ~87%
- MFSP ~\$4.40/gge potentially lower at larger scale



Displace AD w/ electricity



-150 -100 -50 0 50 100 Life-Cycle GHG Emissions, g CO2e/MJ

Fuel Production

- Other Emissions
- Sequestered Carbon
- --- 60% Reduction from Diesel

Foregone Credits

Avoided Waste Management

Net Total

### **OUTCOMES** Value of biofuels for refining industry



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?

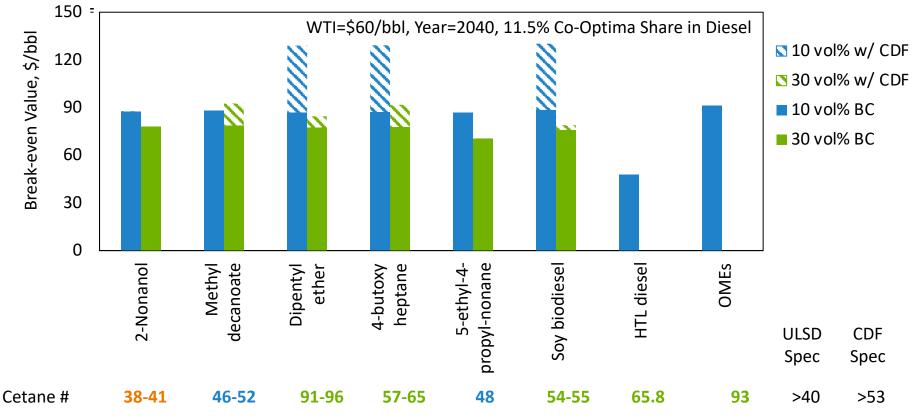


Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

### **OUTCOMES** Diesel bioblendstocks could add value for refineries



36



Property criterion: Greatly Exceeds, Exceeds Criteria, Meets Criteria.

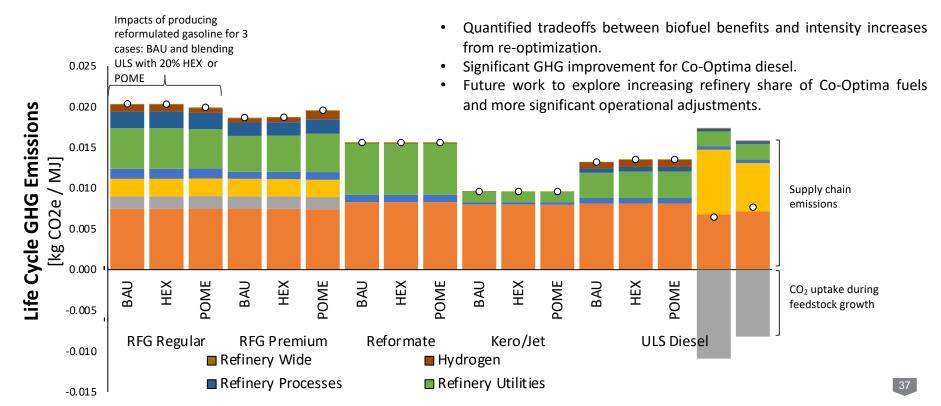
٩.

OMEs=oxymethylene ethers, ULSD=ultra-low sulfur diesel, CDF=California diesel fuel, WTI=West Texas Intermediate, BC=base case

# OUTCOMES GHG benefits of blending Co-Optima fuels outweigh potential tradeoffs



# Cradle-to-refinery gate GHG results for a large refinery configuration, \$60/BBL oil price (WTI), 20% volume blend of hexyl hexanoate (HEX) and POME compared with business as usual (BAU)



#### **OUTCOMES** Adoption and scale up



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, and environmental effects of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



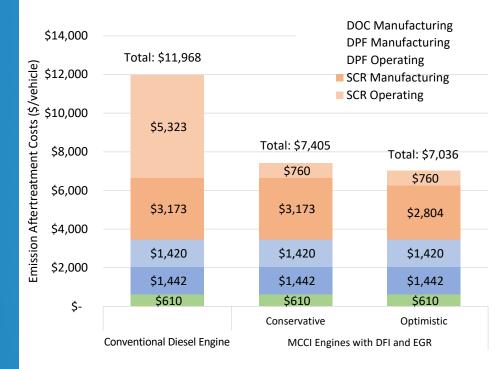
Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?



Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

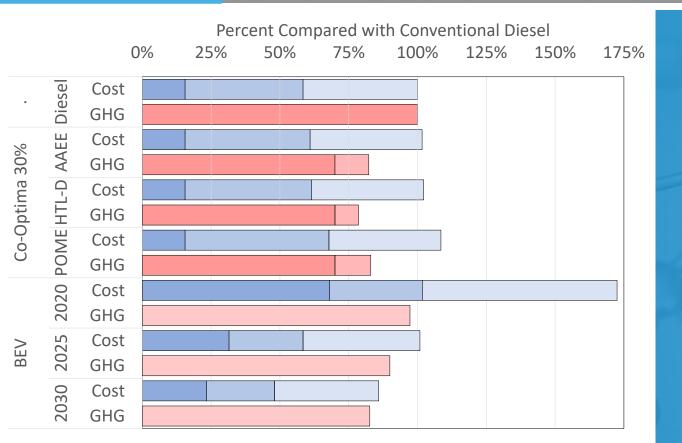
## **OUTCOMES** Reduced NO<sub>x</sub> and PM control costs

- >80% reductions in engineout NO<sub>x</sub> and PM
- \$4,500-\$5,000 lifetime cost reduction
  - Reduced use of exhaust fluid
  - Downsizing selective catalytic reduction system



DFI = ducted fuel injection, DOC = diesel oxidation catalyst, DPF = diesel particulate filter, EGR = exhaust gas recirculation, SCR = selective catalytic reduction

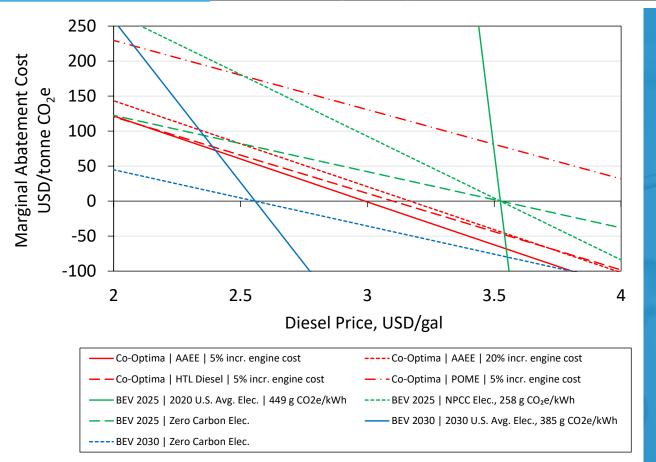
## **OUTCOMES** Drop-in biofuels reduce GHGs from today's fleet (



...and PM/NOx reductions in co-optimized engines

At a cost that's competitive with electric trucks in the near-term

# OUTCOMES Biofuels offer attractive GHG abatement costs for heavy-duty vehicles



**Biofuels and** electrification could offer complimentary strategies for distinct applications

#### **OUTCOMES** Adoption and scale up



#### Co-Optimized Biofuels and Compression Ignition Engines for Heavy-Duty Vehicles



Biofuel Production What are the costs, GHG emissions, environmental effects, and scalability of diesel-compatible biofuels?



<u>Refinery Benefits</u> What value can diesel-like biofuels provide the refining industry?



Adoption and Scale Up Would co-optimized biofuels and engines sell in the heavy-duty market?



Economy-wide Benefits What are the environmental and societal effects of heavyduty biofuels and engines at scale?

#### Allocating biomass resources **OUTCOMES** to decarbonize transportation Life Cycle Potential Biofuel Supply Land Use Change (Scenario 1) **GHG** Emissions for Heavy-Duty Sector (Scenario 1) 580 35% 2.5 560 Algae lotal Biofiel Switchgrass 30% 2 arenceCas Miscanthus GHG Emissions (Million Metric Tons) Difference in land use (Million Hectares) 540 Poplar ■ Willow (%0%) HDV Biofuel Blend Level (vol%) 20% 15% 10% 1.5 520 Biomass sorghum . . . . . Trees .... Soybean 500 1 FLDieset Corn Scenario 2 480 0.5 Scenario 3 460 0 440 Biodiesel Scenario 1 Renewable Diesel HTL Sludge 5% -0.5

-1

2020

2025

2030

2035

2040

420

400

2020

2025

2030

2035

2040

2045

2050

2050

2045

0%

2020

2030

2035

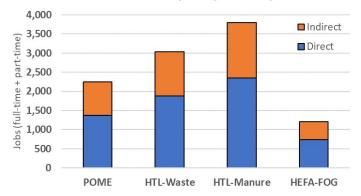
2040

2050

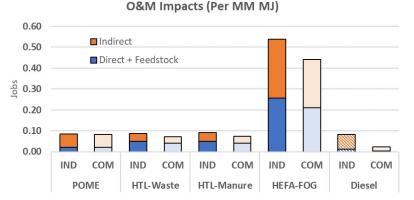
2045

#### **OUTCOMES** Biofuel production provides jobs

- Employment for biofuel production is on par with conventional fuels.
  - Shift from petroleum fuels to biofuels would not cause net job loss.
- Construction jobs associated with biofuel infrastructure could be significant, although temporary.



#### Construction Impacts (Per Plant)



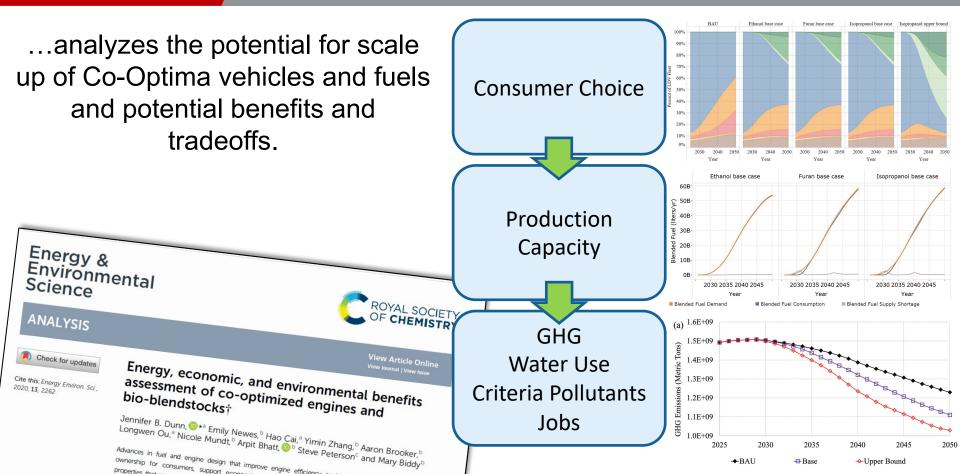
# **Next Steps**

Decarbonizing transportation and ending  $NO_x$  and PM emissions at an acceptable cost



## **NEXT STEPS** Integrated analysis for MD/HD vehicles





# **NEXT STEPS** Realizing the potential



- Further reduce carbon intensity
- Increase blend level
- Requirements to achieve netzero criteria pollutants
- Leveraging existing production and distribution infrastructure

#### Sustainable fuels



Leverage Co-Optima work, further reducing GHG emissions



Expand scope to include e-fuel candidates

#### **Net-zero emissions**



Develop engine technologies for soot-less operation



Develop improved emission-control systems for lean  $NO_x$  and low-temperature oxidation

## Acknowledgements Department of Energy







# U.S. DEPARTMENT OF Office of & RENE

# Office of ENERGY EFFICIENCY & RENEWABLE ENERGY

Michael Berube Acting Deputy Assistant Secretary for Transportation

Valerie Reed Acting Director, Bioenergy Technologies Office (BETO)

#### Alicia Lindauer and Jim Spaeth

Technology Managers, BETO Bioenergy Analysis & Sustainability

**David Howell** Acting Director, Vehicle Technologies Office (VTO)

**Gurpreet Singh** Program Manager, VTO Advanced Engine and Fuel Technologies

#### Kevin Stork and Michael Weismiller

Technology Managers, VTO Advanced Engine and Fuel Technologies

### Acknowledgements Co-Optima Leadership Team









# Office of ENERGY EFFICIENCY & RENEWABLE ENERGY



Daniel Gaspar Pacific Northwest National Laboratory



Anthe George Sandia National Laboratories



Bob McCormick National Renewable Energy Laboratory



Robert Wagner Oak Ridge National Laboratory

#### Acknowledgements

#### Analysis Team













Troy Hawkins



Magdelena **Ramirez Corredores** 



Yuan Jiang

Avantika

Singh



Li

Lauren

Sittler

Benavides









Scott

Sluder

Doug



Mike Talmadge



Emily

Newes





Doris

Oke





Ram

Vijayagopal



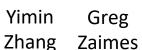


Ou









Including analysis NREL, core ANL, capabilities PNNL, experts ORNL, from representing and INL

Aaron Hao Brooker Cai



Carlson

Scott Curran







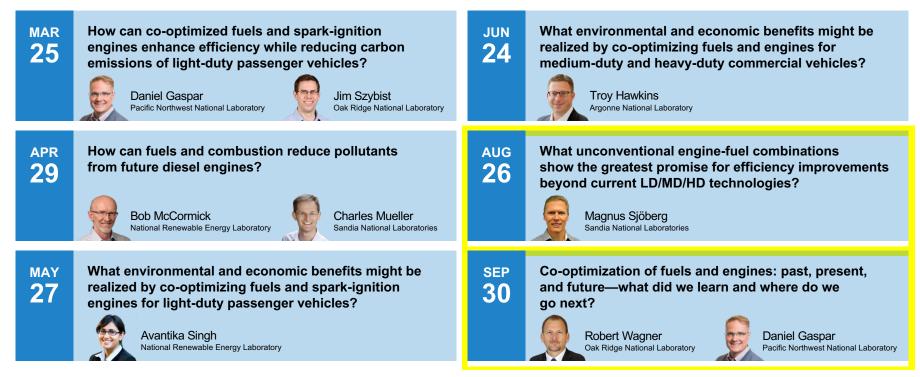
Longwen





#### Capstone webinar series – stay tuned





https://www.energy.gov/eere/bioenergy/co-optima-capstone-webinars

# **A** & **Q**

#### energy.gov/fuel-engine-co-optimization

energy.gov/eere/bioenergy/co-optima-publications



#### **Troy Hawkins**

Co-Optima Analysis Lead Argonne National Laboratory thawkins@anl.gov



#### Avantika Singh

Co-Optima Analysis Deputy Lead National Renewable Energy Laboratory Avantika.Singh@nrel.gov