

# Optimization of CCUS Source-Sink Matching for Large Coal-Fired Units: A Case of North China

Feiyin Wang<sup>1,2</sup>, Pengtao Wang<sup>1,2,\*</sup>, Qifei Wang<sup>1,2</sup>, Lihui Dong<sup>1,2</sup>

<sup>1</sup>College of Resources and Safety Engineering, China University of Mining and Technology (Beijing), Beijing, China

<sup>2</sup>Beijing Key Laboratory for Precise Mining of Intergrown Energy and Resources, China University of Mining and Technology (Beijing), Beijing, China

\*Corresponding author e-mail: pengtaowangscholar@163.com

**Abstract.** Climate change has become an important part of the human destiny community, China faces dual pressures both at home and abroad for carbon dioxide (CO<sub>2</sub>) emission reductions, and the clean coal utilization and low-carbon development in China will be the key development direction in the future. This study takes the city or country with a coal-fired unit above 300 MW in North China as a CO<sub>2</sub> source and the basin in North China and its surrounding area as a CO<sub>2</sub> sink, and estimates distances between sources and sinks by ArcGIS. Through modelling and optimizing the cost of carbon capture, utilization and storage (CCUS) source-sink matching for North China in the next 30 years, it results that the best solution for source-sink matching is obtained, the total CO<sub>2</sub> capture volume from coal-fired power plants reaches approximate 22.8 billion tons, the total CCUS cost is about \$1.78 trillion, the unit cost is about \$78/ton CO<sub>2</sub>, and the CO<sub>2</sub> transport pipeline network is about 52,876 km, which provides a data support and methodological reference for further research on China's CCUS source-sink matching.

## 1. Introduction

Climate change has become an important part of a community with shared future for humanity. To achieve the goal of global average temperature rise no more than 2°C at the end of this century, the deployment scale of global CCUS technology needs to reach about 1.2 billion tons in 2030, and it should attain to about 5.5 billion tons in 2050, which accounts for about 14% of the total CO<sub>2</sub> emission reduction [1]. As the world's largest emitter of CO<sub>2</sub>, China is facing both domestic and international pressures for emission reductions that it has to shoulder the task of CO<sub>2</sub> emission reduction at abroad and to control environmental pollution at home especially to solve the problem of haze in North China.

China's energy resource endowments are characterized by rich coal, poor oil, and lean gas. Although the '13th Five-Year Plan' has reduced the proportion of coal to 58%, coal is still the main energy source in China. In order to ensure national energy security, the implementation of clean coal utilization in the short term cannot be avoided. CCUS not only can solve the problem of large-scale CO<sub>2</sub> emissions, but also can solve the problem of pollutant emissions through the dust removal, desulfurization, and nitrogen removal processes before the CO<sub>2</sub> capture [2]. Therefore, CCUS is a key technology for future low-carbon development and clean coal utilization.



Approximate 39% of China's CO<sub>2</sub> emissions come from power plants [3], and the power sectors have become the preferred target for emissions reduction in China. In 2017, the Chinese government launched the national carbon trading market, and the power units became the first to be included in the market. As the carbon trading market continues to develop, large-scale coal-fired units will select CCUS retrofit as one of their low-carbon development methods.

**Table 1.** Annual CO<sub>2</sub> emissions and total installed capacities in cities and countries

| City/<br>County | Capacity<br>(MW) | CO <sub>2</sub><br>(Mt/year) | City/<br>County | Capacity<br>(MW) | CO <sub>2</sub><br>(Mt/year) | City/<br>County | Capacity<br>(MW) | CO <sub>2</sub><br>(Mt/year) |
|-----------------|------------------|------------------------------|-----------------|------------------|------------------------------|-----------------|------------------|------------------------------|
| Alashanyouq     | 600              | 3.78                         | Huozhoushi      | 3000             | 22.14                        | Tuoketuoqi      | 600              | 3.05                         |
| Bayanzhuoer     | 1200             | 8.96                         | Jinzhongshi     | 1260             | 9.58                         | Tuoketuoxian    | 5400             | 43.98                        |
| Baotoushi       | 4200             | 30.94                        | Jingjingxian    | 1800             | 13.07                        | Wulatezhongqi   | 1320             | 8.46                         |
| Baodingshi      | 600              | 4.76                         | Keyouzhongqi    | 330              | 1.71                         | Wuanshi         | 600              | 4.61                         |
| Changzhoushi    | 3180             | 25.25                        | Liangchengxian  | 2400             | 18.65                        | Xilinhaotesi    | 600              | 4.80                         |
| Chenbaerhuqi    | 1200             | 9.11                         | Linfenshi       | 600              | 4.53                         | Xilinhaotesi    | 1200             | 7.32                         |
| Chengdexian     | 990              | 7.41                         | Liulinxian      | 1500             | 10.82                        | Xingtaixian     | 600              | 3.92                         |
| Cifengshi       | 2400             | 16.06                        | Luchengshi      | 1200             | 9.68                         | Yangchengxian   | 600              | 4.43                         |
| Datongshi       | 5520             | 43.97                        | Luanchengxian   | 600              | 4.25                         | Yijinhuoluoqi   | 3300             | 26.18                        |
| Dengkouxian     | 660              | 4.46                         | Pingdingxian    | 1200             | 9.51                         | Yijinhuoluoqi   | 1320             | 10.70                        |
| Dingzhoushi     | 2520             | 18.16                        | Pingshanxian    | 1860             | 14.11                        | Youyuxian       | 600              | 4.55                         |
| Eerduosishi     | 2020             | 12.52                        | Shanheshi       | 1200             | 8.23                         | Yushexian       | 660              | 5.02                         |
| Ewenkezuzizhi   | 3400             | 21.90                        | Shanyinxian     | 1300             | 9.68                         | Yuanpingshi     | 600              | 4.60                         |
| Fengzhenshi     | 1800             | 13.05                        | Shexian         | 600              | 4.50                         | Yunchengshi     | 2640             | 20.72                        |
| Handanshi       | 1920             | 14.87                        | Shijiazhuanshi  | 1200             | 8.59                         | Yunchengshi     | 1200             | 8.72                         |
| Hequxian        | 2400             | 18.37                        | Shouzhoushi     | 1260             | 9.94                         | Zhangjiakoushi  | 600              | 4.55                         |
| Hengshuishi     | 1260             | 9.48                         | Taiyuanshi      | 600              | 4.53                         | Changzhishi     | 2760             | 21.82                        |
| Huhehaotesi     | 5080             | 38.08                        | Tangshanshi     | 3000             | 23.64                        | Zhenglanqi      | 2460             | 19.35                        |
| Hunlunbeiersh   | 1200             | 8.15                         | Tianjinshi      | 3040             | 23.15                        | Zungeerqi       | 3720             | 27.43                        |
| Huaianxian      | 660              | 4.83                         | Tongliaoshi     | 7390             | 58.79                        | Zuoquanxian     | 2580             | 19.90                        |
| Huolinguoleshi  | 1200             | 7.62                         | Tumutezuqi      | 1200             | 8.21                         | Zuoquanxian     | 2692             | 20.72                        |

There were many references on cost analysis of power units and CCUS [4-6]. E. S. Rubin [7] compared predecessors' assessment methods of power plants and CCUS and found out the reasons for the deviation of economic evaluation. With the in-depth study of CCUS, there is more and more research on the whole process of CCUS, and the literature on China is also rich. Z. Zheng, et al. [8] combed large-scale CO<sub>2</sub> emission sources and basins where China can store or utilize CO<sub>2</sub>, and used economic evaluation techniques to assess where the CCUS full-flow demonstration projects could be implemented early. With ArcGIS, J. Li, et al. [9] firstly determined CO<sub>2</sub> sequestration basins and their storage capacities in Guangdong Province, secondly used ultra-supercritical power plants in Shenzhen as the CO<sub>2</sub> sources, and finally evaluated the cost of source-sink matching. X. Li, et al. [10] summarized the locations of large-scale CO<sub>2</sub> emission sources in China, provided the specific locations of the basins and oil fields for CO<sub>2</sub> storage or utilization, and described the calculation methods of effective storage capacities of basins and oil wells in detail. N. Wei, et al. [11] gave a complete assessment method for CO<sub>2</sub> sequestration in China's terrestrial aquifers, and macroscopically provided a detailed geographical map based on the overall cost of CCUS deployment. At present, as coal-fired power plants and CCUS are very important for low-carbon development and clean utilization of coal in China's regional power sectors, there are many studies on the macroscopic source-sink matching in China, but the study for specific areas in China, especially for specific regions' coal-fired power plants and CCUS, is rare. Besides, there are not only many large-scale coal-fired units that result in a large number of CO<sub>2</sub> emission in North China but also many basins that are

suitable for the dedicated geological storage or enhanced oil recovery in North China and its surrounding area. In addition, because there are few large mountains in this region, transporting CO<sub>2</sub> in pipelines is possible. Therefore, it is feasible and necessary to study the cost optimization of CCUS source-sink matching for coal-fired units in North China.

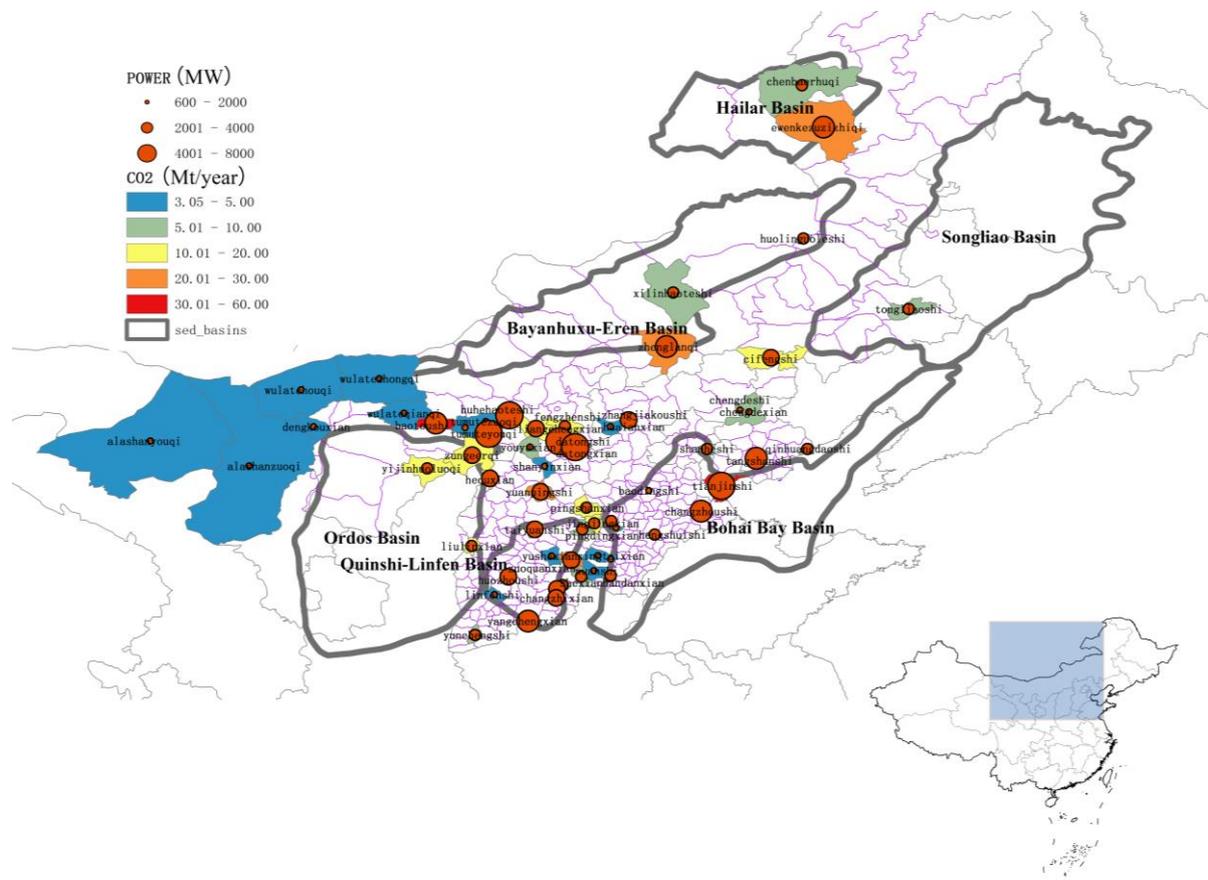
## 2. Data and Methods

The data of 272 coal-fired units with installed capacities above 300 MW related to 108 coal-fired power plants in North China comes from the literature [12], and their locations (61 counties or cities) are collated in accordance with the Google map, shown in Table 1. The total installed capacity of coal-fired units is 116,602 MW, and the total CO<sub>2</sub> emission is 873.85 Million tons per year.

The data of basins in North China and its surrounding area [8, 10, 11, 13] is organized in Table 2.

**Table 2.** Effective storage capacities and costs of basins in North China and its surrounding area

| Basin          | Dedicated geological storage |                              |             | Enhanced oil recovery |                              |             |
|----------------|------------------------------|------------------------------|-------------|-----------------------|------------------------------|-------------|
|                | No.                          | Capacity (10 <sup>9</sup> t) | Cost (\$/t) | No.                   | Capacity (10 <sup>9</sup> t) | Cost (\$/t) |
| Hailar         | 1                            | 16.1                         | 2.93        | 7                     | 0                            | -12.9       |
| Songliao       | 2                            | 227.8                        | 2.93        | 8                     | 1.57                         | -12.9       |
| Bayauhuxu-Eren | 3                            | 85                           | 2.93        | 9                     | 0.031                        | -12.9       |
| Bohai Bay      | 4                            | 0                            | 2.93        | 10                    | 1.49                         | -12.9       |
| Ordos          | 5                            | 256.5                        | 2.93        | 11                    | 0.36                         | -12.9       |
| Quinshi-Linfen | 6                            | 0                            | 2.93        | 12                    | 0                            | -12.9       |



**Figure 1.** The geographical distribution of CO<sub>2</sub> sources and sinks in North China

North China includes five provinces, i.e., Beijing, Tianjin, Hebei, Shanxi, and Neimenggu. As its population density is large, Beijing's power plants do not participate [14]. The geographical distribution of CO<sub>2</sub> sources and sinks at the city and country level in North China is shown in Figure 1.

A self-built cost optimization model of source-sink matching is used for the practical problem of coal-fired units above 300MW in North China. Assumptions are that i) after the installation of CCUS, the life cycles of sources, sinks and pipelines are the same, ii) all the CO<sub>2</sub> emissions captured in sources are transported to sinks by pipeline, and there is no loss during transportation, therefore, the amount of CO<sub>2</sub> captured in each source is equal to the amount of CO<sub>2</sub> entering the pipeline from that source, iii) sources and sinks are directly connected, a single source can be connected to multiple sinks, and a single sink can also be connected to multiple sources, and iv) the total CO<sub>2</sub> delivered to each sink must not exceed the effective storage capacity of that sink, therefore, the total CO<sub>2</sub> captured from all sources does not exceed the sum of the effective storage capacities of all sinks. The objective function is as follows

$$\left\{ \begin{array}{l} \min f = \sum_{i=1}^n \sum_{j=1}^m [(CC_i + CT_j + L_{ij}) \times tX_{ij}] \\ L_{ij} = \begin{cases} a, & L_{ij} \leq 50 \\ b, & 50 < L_{ij} \leq 200 \\ c, & 200 < L_{ij} \leq 500 \\ d, & L_{ij} > 500 \end{cases} \end{array} \right. , \quad (1)$$

And the constraint conditions are

$$s.t. \left\{ \begin{array}{l} \sum_{j=1}^m X_{ij} = \eta E_i \\ \sum_{i=1}^n tX_{ij} \leq PQ_j \\ \sum_{i=1}^n \eta tE_i \leq \sum_{j=1}^m PQ_j \\ X_{ij} \geq 0 \\ i \in [1, n] \\ j \in [1, m] \end{array} \right. , \quad (2)$$

where  $i=1,2,\dots,147$  is the CO<sub>2</sub> source,  $j=1,2,\dots,26$  is the CO<sub>2</sub> sink,  $f$  is the total cost (\$),  $\eta=0.85$  is the capture rate,  $P$  is the storage rate,  $X$  is the transport volume (ton),  $Q$  is the total storage volume of basins (ton),  $E$  is the total CO<sub>2</sub> emission of cities and countries (ton),  $CC$  is the capture cost (\$/ton),  $CT$  is the storage cost (\$/ton), and  $L$  is the direct distance between the source and the sink (km), and  $t=30$  years is the CCUS run time. Parameter settings are shown in Table 3.

**Table 3.** Model parameter settings

| Parameter          | Symbol | Value   | Unit   | Note |
|--------------------|--------|---------|--------|------|
| Capture Cost       | $CC$   | 45      | \$/ton | [15] |
| Storage Cost       | $CT$   | Table 2 | \$/ton |      |
| Transport distance | $L$    | Table 4 | km     |      |
| $L \leq 50$        | $a$    | 11.2    | \$     | [16] |
| $50 < L \leq 200$  | $b$    | 20.7    | \$     | [16] |
| $200 < L \leq 500$ | $c$    | 39.5    | \$     | [16] |
| $500 < L$          | $d$    | 49.5    | \$     | [16] |

### 3. Results

Using ArcGIS calculates the central coordinates of 61 cities and countries with coal-fired units above 300 MW and those of 6 basins for dedicated geological storage or enhanced oil recovery in North China. Through the point-to-point distance calculation, the 61\*6 source-sink distance matrix is obtained in Table 4. Due to space limitations, Table 4 only shows partial results.

**Table 4.** The partial direct distance matrix between sources and sinks (km)

| Sink\Source    | Chenbaer. | Ewenkezu. | Xilinhaote. | ... | Changzhi. | Yangcheng. | Yuncheng. |
|----------------|-----------|-----------|-------------|-----|-----------|------------|-----------|
| Hailar         | 96.63     | 121.46    | 386.04      | ... | 1500.37   | 1583.84    | 1662.04   |
| Songliao       | 570.44    | 452.90    | 369.99      | ... | 1415.06   | 1509.06    | 1619.99   |
| Bayauhuxu-Eren | 671.08    | 592.68    | 358.50      | ... | 928.81    | 1009.34    | 1084.11   |
| Bohai Bay      | 1245.94   | 1130.60   | 802.51      | ... | 494.41    | 587.24     | 714.06    |
| Ordos          | 1584.78   | 1515.63   | 1256.74     | ... | 421.69    | 400.43     | 342.28    |
| Quinshi-Linfen | 1532.61   | 1440.74   | 1139.69     | ... | 93.72     | 145.25     | 230.60    |

In the case that the total installed capacity of large-scale coal-fired units in North China is constant, and the operating times of both coal-fired power units and CCUS are 30 years, the cost optimization results of the source-sink matching show that the total CO<sub>2</sub> storage volume within 30 years is about 22.8 billion tons, the average annual CO<sub>2</sub> capture volume is about 760 million tons, the total cost is about \$1.78 trillion, the annual investment is about \$59.287 billion, the unit cost is approximately \$78/ton CO<sub>2</sub>, and 52,876 km of CO<sub>2</sub> transport pipeline network needs to be constructed. The detailed CO<sub>2</sub> transport volume from each source to each sink is shown in Table 5.

**Table 5.** Source-sink matching results after optimization (Mt CO<sub>2</sub>)

| Sink\Source    | Chenbaer. | Ewenkezu. | Xilinhaote. | ... | Changzhi. | Yangcheng. | Yuncheng. |
|----------------|-----------|-----------|-------------|-----|-----------|------------|-----------|
| Hailar         | 232.32    | 558.53    | 33.33       | ... | 0         | 0          | 0         |
| Songliao       | 0         | 0         | 44.27       | ... | 0         | 0          | 0         |
| Bayauhuxu-Eren | 0         | 0         | 20.98       | ... | 0         | 0          | 0         |
| Bohai Bay      | 0         | 0         | 0           | ... | 0         | 0          | 0         |
| Ordos          | 0         | 0         | 0           | ... | 484.70    | 658.46     | 214.81    |
| Quinshi-Linfen | 0         | 0         | 0           | ... | 0         | 0          | 0         |
| Hailar         | 0         | 0         | 0           | ... | 0         | 0          | 0         |
| Song Liao      | 0         | 0         | 94.57       | ... | 0         | 0          | 0         |
| Bayauhuxu-Eren | 0         | 0         | 1.22        | ... | 0         | 0          | 0         |
| Bohai Bay      | 0         | 0         | 0           | ... | 0         | 0          | 0         |
| Ordos          | 0         | 0         | 0           | ... | 8.74      | 9.12       | 7.56      |
| Quinshi-Linfen | 0         | 0         | 0           | ... | 0         | 0          | 0         |

### 4. Conclusions and discussions

This study investigates 272 coal-fired units above 300 MW of installed capacities involving 108 coal-fired plants in 61 cities or counties in North China and it also reviews the capacities and costs of the dedicated geological storage and enhanced oil recovery for 6 basins in North China and its surrounding area, which provides the reliable data support for further research on the CCUS source-sink matching in North China.

The distances from 6 basins where CO<sub>2</sub> are stored or utilized to 61 cities or counties where large coal-fired power plants are located are estimated. Using the cost optimization model of CCUS source-sink matching, the optimal solution for CO<sub>2</sub> transport volume, the CO<sub>2</sub> transport pipeline network, the total storage volume, the total cost, and the unit cost for CCUS retrofitting of large coal-fired units in North China are given, providing a reference for specific engineering technical evaluation.

Although a lot of data research and calculations are done in this study, the location of the power plant can only be specific to the central coordinate of its city or county, and there is a certain error with the actual distance. Besides, because of the large area of the basin, this study refers to existing

studies that only determine the central coordinate of a basin as a sealed site, which is also a certain error with the actual. There should be more than one storage site per basin, and this requires further geographic surveys. In addition, this study assumes that the cost of capture, transportation, and storage will not change for 30 years, while in reality as the CCUS technology continues to progress, the scale effect develops, and the future CO<sub>2</sub> trading market impacts, the actual cost should be smaller than the cost of this assessment.

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