



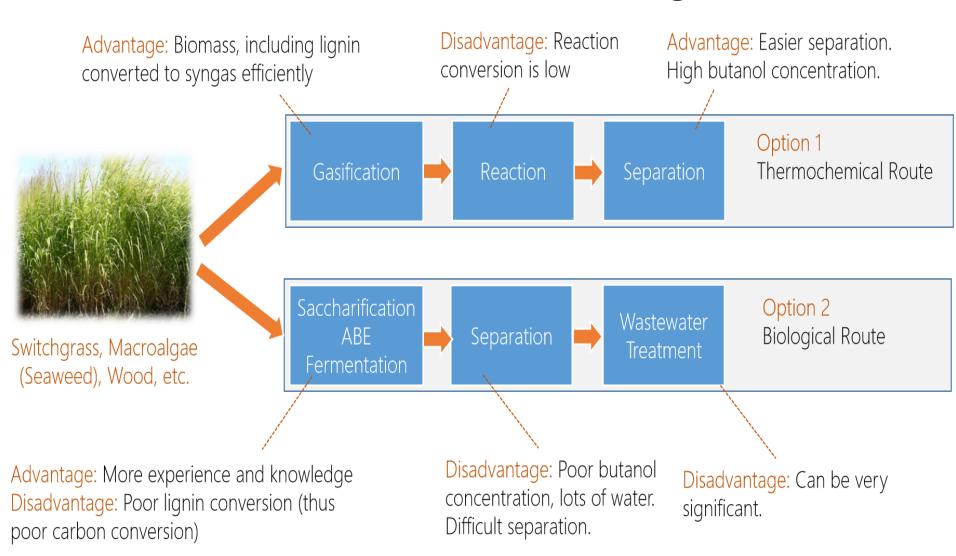
# 해조류 바이오연료 생산공정 설계 동향

# - THERMOCHEMICAL CONVERSION (GASIFICATION) -

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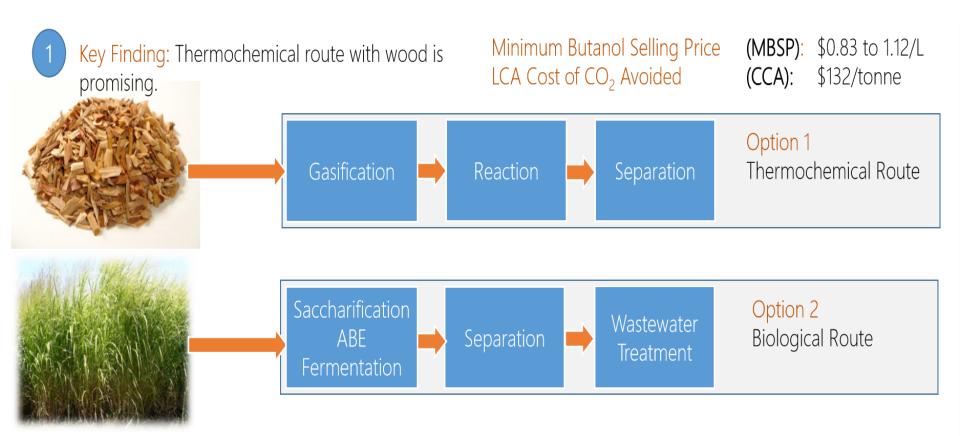


#### 2nd and 3rd Gen Biobutanol Big Picture





#### Prior Work in 2nd Gen Biobutanol



Key Finding: Biological route with switchgrass requires a very particular separation strategy, still not very competitive.

Minimum Butanol Selling Price LCA Cost of CO<sub>2</sub> Avoided

(MBSP): \$1.56 to \$1.80/L

(CCA): \$472/tonne

#### Why Butanol? Property

Next generation alcohol fuel with life cycle advantages over ethanol.

Higher energy density compared to ethanol. Much closer to gasoline.

Property	Ethanol	i-Butanol	n-Butanol	Gasoline
Density at 20 °C (g/cm³)	0.794	0.802	0.810	0.791
Research Octane number	112 – 122	102 – 105	94 – 96	85 - 87
Energy density (% of gasoline)	65	82	82.3	100
Water solubility (wt.%)	100.0	8.5	7.7	_

Low water solubility

(Can pipeline it, blend at refinery)

Had not been explored for macroalgae prior to this work.



#### Why Macroalgae (seaweed?)

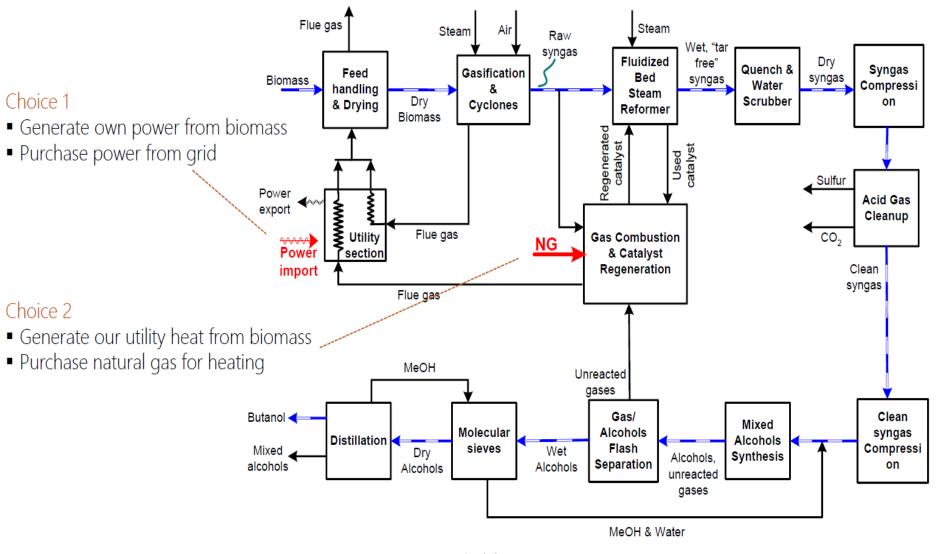
- 25 Mt/yr produced worldwide
- Korean Ministry of Oceans and Fisheries goals:
  - Increase aquaculture yields
  - Convert into renewable energy products
- Idea: Can greatly increase production since grown on oceans instead of land
  - Less impact on food-vs-fuel problem
- Our big picture question: Will thermochemical conversion be a promising path? Does this make sense at all?
  - Economics and Business Case
  - Wells-to-wheels CO<sub>2</sub> Emissions and Policy Case

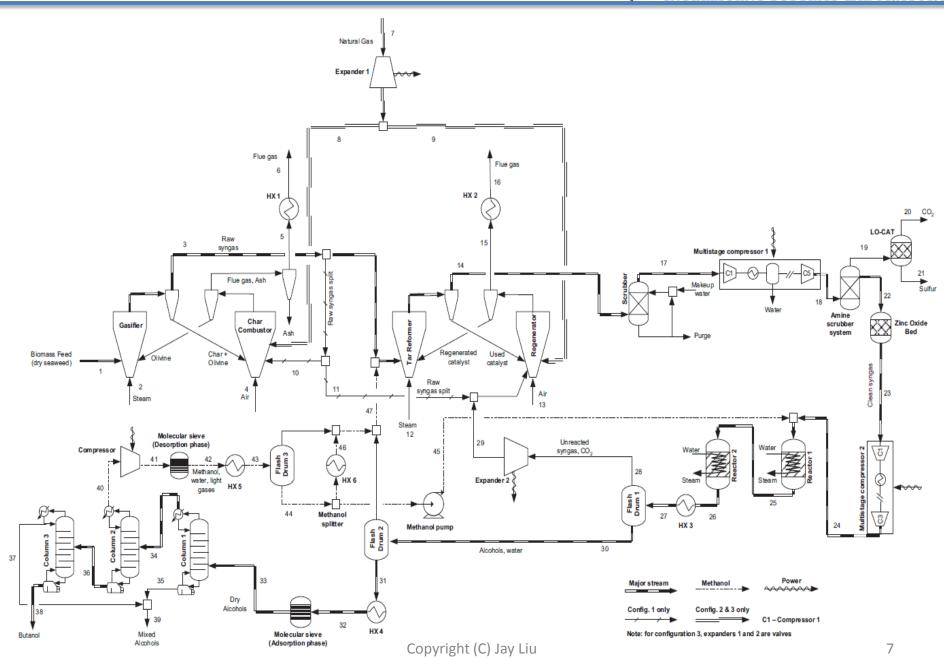


Lamanaria Japonica **A brown macroalgae** 



#### Simplified Block Flow Diagram





### Gasification Step: Experimental Data

Ultimate analysis of L. Japonica used in this study provided by collaborators at Pukyong National University (Small changes based on season)

14.05

HHV (MJ/kg)

The seaweed is dried before it is gasified (Drying process factored into costs and life -cycle CO<sub>2</sub> emissions study)

Ultimate analysis	wt % dry basis	Proximate analysis	wt %
Carbon	32.41	Moisture	2.79 /
Hydrogen	3.37	Volatile matter	70.9
Nitrogen	1.18	Fixed Carbon	3.32
Sulphur	0.31	Ash	22.99
Oxygen	39.74		
Ash	22.99		

\_\_ Note high ash content (disadvantage).

Have to lug that dead weight around the whole supply chain.

#### Simulation Methodolgy

- Aspen Plus Simulations
  - Built-in unit operation models where available
  - Batelle Columbus Laboratory model to predict gasifier outputs
  - Monoethanolamine (MEA) / LO-CAT / ZnO for CO<sub>2</sub>/H<sub>2</sub>S removal
  - Modifed Cs/Cu/ZnO/Cr<sub>2</sub>O<sub>3</sub>-based low-pressure methanol synthesis catalyst products mixed alcohols from methanol to pentanol<sup>+</sup>.
  - Molecular sieve and distillation used for product purification
  - Iso-butanol meets ASTM standards.
  - NRTL-RK activity coefficient model for alcohol separation sections, RK-BM & ASME
     Steam Tables for the rest as appropriate (matches literature data)
  - Heat Exchanger Networks optimized with Aspen Energy Analyzer
  - Capital Costs from Aspen Capital Cost Estimator and US NREL correlations



#### **Key Market Parameters**

The prices differ depending on whether we are building this in the USA or Korea.

Considers replenishment of catalysts and waste treatment

Commodity prices in 2014 U.S. dollars	U.S.	South Korea		
Seaweed cost (\$/dry tonne)	71.42	67.9		
Olivine (\$/tonne)	304.75	237.71		
MgO (\$/tonne)	604.33	471.38		
Tar reformer catalyst (\$/kg)	53.16	41.46		
Alcohol synthesis catalyst (\$/kg)	28.58	22.29		
Solids disposal (Ash) (\$/tonne)	81.28	63.40		
Water makeup (\$/tonne)	0.47	0.37		
Boiler feed water chemicals (\$/kg)	6.79	5.30		
Cooling tower chemicals (\$/kg)	4.08	3.18		
LO-CAT chemicals (\$/tonne sulphur produced)	555.5	433.29		
Amine makeup (\$/ million kg acid gas removed)	44.15	34.44		
Waste water treatment (\$/tonne)	1.12	0.87		
Electricity (cents/kWh)	6.63	9.98		
Gasoline (\$/L)	0.91	1.53		
NG(\$/tonne)	397	1,221		

#### **Key Business Parameters**

Uses US DOE/NREL recommended numbers for high risk liquid fuel plants

Different inflation rates by country.

	Economic parameter	Basis
	Cost year for analysis	2014
ŀ	Plant financing by equity/debt	50%/50%
į	Internal rate of return (IRR)	10% after tax
į	Term for debt financing	10 years
į	Interest rate for debt financing	8%
Ł	Plant life/analysis period	30 years
	Depreciation method	Straight Line depreciation 10 years for general plant and utilities
	Income tax rate	35%
	Plant construction cost schedule	3 years (20% Y1, 45% Y2, 35% Y3)
	Plant decommissioning costs	\$0
	Plant salvage value	\$0
	Start-up period	3 months
	Revenue and costs during start-up	Revenue = 50% of normal. Variable costs = 75% of normal. Fixed costs = 100% of normal
	Inflation rate	1.75% U.S. , 1.10% South Korea
	On-stream percentage	90% (7884 h/year)
	Land	6.5% of Total Purchased Equipment Cost (TPEC)
	Royalties	6.5% of TPEC
	Working capital	5% of Fixed Capital Investment (excluding land)
	Indirect costs	
	Engineering and supervision	32% of TPEC
	Construction expenses	34% of TPEC
	Contractor's fee and legal expenses	23% of TPEC
	Contingencies	20.4% of TPEC

#### MB & EB Results

Uses 100% of L. Japonica made in Korea today		Case 1 - self-sufficient	Case 2 - NG import	Case 3 - NG & power import
Not burning seaweed for heat lets us make more.  But just 12, 21% of the	Seaweed flow rate (kg/h) NG requirement (kg/h) Total product yields (kg/h) Butanol Mixed alcohols	45,631 - 5921 2782 3139	45,631 5024 9730 4572 5158	45,631 5024 9730 4572 5158
Not building a power plant	Net electric power exported (MW)  Power generation  Power consumption  Piomass HHV (MW)	13.0 3.24 16.04 12.8	21.3 5.04 24.79 19.75 178.09	21.3 -20.4 - 20.4 178.09
greatly reduces capital cost.  Net HHV efficiency is 33-38%	Biomass HHV (MW) NG HHV (MW) Butanol HHV (MW) Mixed alcohols HHV (MW)	178.09 - 28.85 29.07	90.17 47.41 47.77	90.17 47.41 47.77
Not particularly wonderful.	Total input HHV + electricity import Total output HHV + electricity export Plant energy efficiency (% HHV basis)	178.09 61.16 34.34	268.26 100.23 37.36	288.66 95.19 32.98

#### **Key Economic Results**

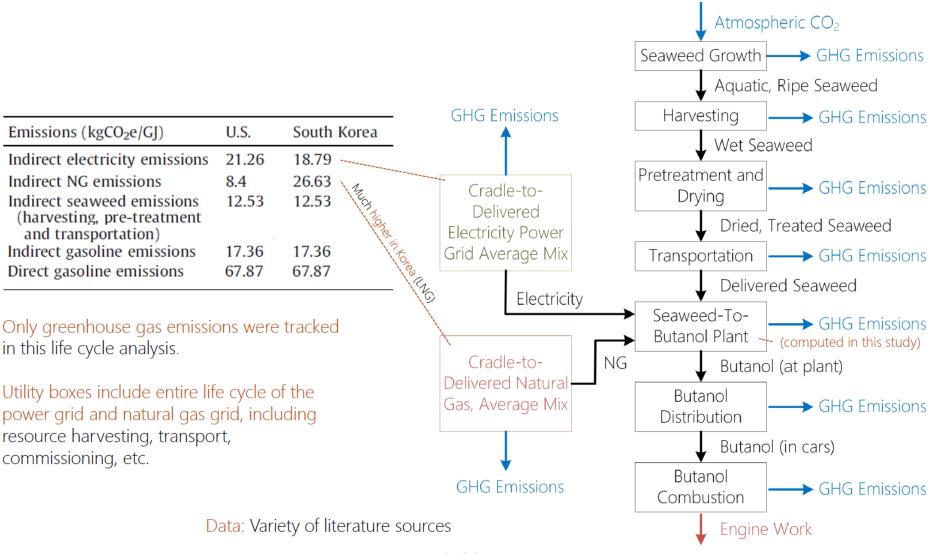
	U.S.	U.S.			South Korea			
Plant design	Self-sufficient plant	NG import	NG & power import	Self-sufficient plant	NG import	NG & power import		
Total capital investment (\$'000)	243,852	291,511	193,951	190,205	227,379	151,282		
Total operating costs (\$'000/year)	81,252	98,585	99,422	69,999	117,233	123,988		
Total co-prod. revenue (\$'000/year)	21,149	34,612	31,980	35,392	57,947	53,986		
MBSP (\$/I)	3.33	2.25	2.07	/2.15	/1.97	2.01		
Butanol revenue at MBSP (\$'000/year)	89,816	99,618	91,657	57,835	87,326	89,199		

It gets cheaper to make the more fossil fuels you use to power your plant (but it gets less green) Lower seaweed, lower capital costs, and higher co-product revenues in Korea have major effect on final price.

Higher electricity costs in Korea means it is better to use seaweed-syngas to make electricity



# Wells-to-Wheels CO2



#### LCA and Cost of CO2e Avoided (CCA)

Plant		U.S.			South Korea		
		Self- sufficient	NG import	NG + power import	Self- sufficient	NG import	NG + power import
Seaweed growth	(kgCO <sub>2</sub> e/GJ)	-1189	-1189	-1189	-1189	-1189	-1189
Seaweed supply chain	(kgCO <sub>2</sub> e/GJ)	176	176	176	176	176	176
Seaweed to butanol process	(kgCO <sub>2</sub> e/GJ)	880	981	981	880	981	981
Indirect emissions from natural g	as (kgCO <sub>2</sub> e/GJ)	-	61.47	61.47	-	194.88	194.88
Indirect emissions from electricit	y (kgCO <sub>2</sub> e/GJ)	-	-	35.20	-	-	31.11
Direct emissions from butanol us	e (kgCO <sub>2</sub> e/GJ)	63.32	63.32	63.32	63.32	63.32	63.32
Well to wheel emission for butan	ol (kgCO <sub>2</sub> e/GJ)	36.36	66.85	71.61	36.36	83.25	88.34
CO <sub>2</sub> e avoided (kgCO	<sub>2</sub> e avoided/GJ)	48.87	18.38	13.62	48.87	1.98	-3.11
MBSP	(\$/L)	3.33	2.25	2.07	2.15	1.97	2.01
CO <sub>2</sub> e avoided cost (\$/t	CO <sub>2</sub> e avoided)	1756	2724	3239	616	12,170	N/A

The best case in US (is not worth doing)

The best case in Korea

(is competitive with other biofuels)

This is worse than gasoline.

$$CO_2e$$
 avoidance  $cost = \frac{MBSP\left(\frac{\$}{MJ}\right) - wholesale gasoline price \left(\frac{\$}{MJ}\right)}{(1.00)}$ 

=  $\frac{1}{\text{Carbon intensity of gasoline } \left(\frac{\text{kgCO}_2 e}{\text{MJ}}\right) - \text{carbon intensity of biobutanol } \left(\frac{\text{kgCO}_2 e}{\text{MJ}}\right)}$ 

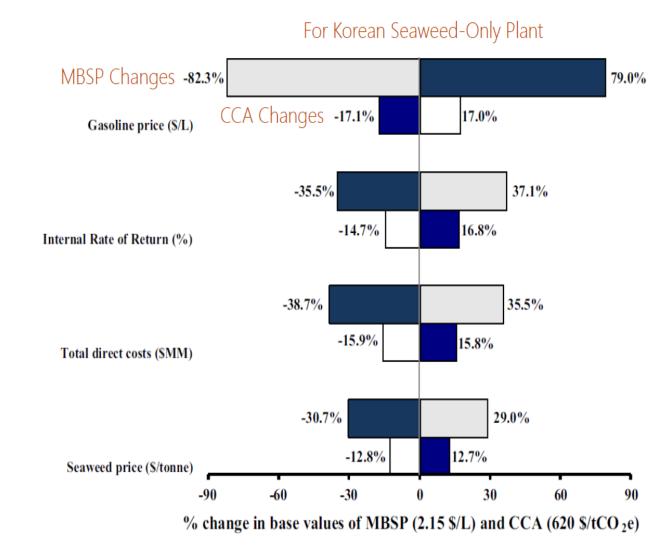


#### Sensitivity Analysis (Brief)

+/30% Change in parameters

Changes in energy price have a huge impact on MBSP in Korea.

(Due to assumed impact on price of co-products)



## Conclusions

**USA** USA USA Korea Thermochemical Biological Thermo. Thermo. Wood *Switchgrass* Seaweed Seaweed Best Minimum Butanol Selling Price (MBSP): 0.92 1.56 2.07 1.97 \$/L Best Cost of CO<sub>2</sub> Avoided (CCA): \$/tonne 132 472 1756 616

This is a very promising US option. It is the best because gasification converts the lignin into syngas too, and has lower ash content.

The USA should not use this to avoid CO<sub>2</sub> emissions, the money is better spent elsewhere.

Too much ash.

This may make sense for price in Korea, but likely there are better options for investing money for GHG reduction purposes.

(Should probably just eat the seaweed)

#### Future Work:

Process improvements and optimization Complete LCA on these studies (more than just GHGs) Other biomass combinations