

Multi-regional transmission model (former name: D-TIMES)

Energy Model to Make Evidence Based Decision Making for Achieving Carbon Neutral Goal under Future Uncertainties

Deloitte Tohmatsu Consulting LLC November 2022



Contents

- I. Why Do We Build/Need the Simulation?
 - Challenges to Achieve Carbon Neutral Target
 - Shift to Renewable Based Energy System
 - Complex and Inter-connected Energy System
- II. What is the Multi-regional transmission model (former name: D-TIMES) ?
 - System Views
 - High Regional Resolution
 - Energy Infrastructure
 - Economic and Social Change
- III. Model Use Case
- IV. Global model
- V. Democratisation of Knowledge
- VI. Demo

Multi-regional transmission model (former name: D-TIMES) : National and Global Energy Model



National Model

Global Model 30 **Countries/Regions**

https://unsplash.com/ja/%E5%86%99%E7%9C%9F/vhSz50AaFAs?utm_source=unsplas h&utm_medium=referral&utm_content=creditShareLink I. Why do we need the simulation?

The **Paris Agreement** and Nationally Detrmined Contribution (NDC) Promote Energy Transioton to Realise Carbon Neutral Societies. The **Paris Agreement** and Nationally Determined Contribution (NDC) Promote Energy Transition to Realise Carbon Neutral Societies.



The **Different Phases of Energy Integration** as VRE Share Increase





* Created by Deloitte Tohmatsu Consulting based on IEA (2018)

Low

I. WHY DO WE BUILD/NEED THE SIMULATION?

Existing Energy System (e.g. Electricity)

Conventional energy system is simple value-chain and supply adjustment-based.



Carbon Neutral Era Energy System

Existing energy analysis methodology cannot use for business strategy and policy analysis, We need to build new tool which reflect 1)System View, 2) High Regional Resolution, 3) Energy Infrastructure and 4) Economic and Social Change.



I. WHY DO WE BUILD/NEED THE SIMULATION?

Vehicle become a part of energy system





Limits of Exisiting Methodologies to Make Decisions in Carbon Neutral Era

What is the Multi-regional transmission model (former name: D-TIMES)

Uniqueness of D-TIMES

(Deloitte Energy Simulations)

All Energy and Sectors are Modelled



© 2022. For information, contact Deloitte Tohmatsu Group.



WHAT IS THE MULTI-REGIONAL TRANSMISSION MODEL (FORMER NAME: D-TIMES)

Wind Speed by Region



The Locations and Capacity of **Existing Electricity Grid**

Hiroshima

Kōchi

Kimch'aek

Pohang-s

Nagasak

Sapraro

Halcoda

Sakata

Niigata

350+ Nodes



Arc Layer represents a network of 351 nodes.

Population Change towards 2050



WHAT IS THE MULTI-REGIONAL TRANSMISSION MODEL (FORMER NAME: D-TIMES)

Visualisation of Big/Complex Simulation Results

Human brains process visuals **60,000** times faster than they do text. (University of Minnesota)

Traditional Visualisation



21st Century Visualisation



Immersive & Interactive Electricity Flow between nodes VRE* Capacity/Generation



Motion Chart Generation & Charging by Time and Technology

WebGIS

Renewables by Node

Grid Utilisation Rate



*VRE: Variable Renewable Energy

Visualised Simulation Results

Web GIS

Immersive VR





III. MODEL USE CASES

Energy System for

- **Realising De-carbonisation Society**
- under the Combinations of Uncertainties

III. MODEL USE CASE

TIMES Identifies Solutions to Achieve Carbon Neutral by Layer

TIMES are widely used by Government and Private Companies for a variety of Purposes, e.g. 1) Policy Making/Analysis, 2) Future Market Analysis, 3) Technology R&D, 4) Infrastructure Development Plan and 5) Mid-long Term Business Plan.



Market:

Future Optimised Energy System and Market Size by Technology and Region

R&D:

How much target should be set to be employed in De-carbonisation market.

1

Energy Infrastructure and Global Energy Supply Chain





Contributions to EBPM*

DTC did a presentation at the METI's Sub-committee on Energy Basic Plan and insisted that electricity price increase sharply under current energy system to achieve carbon neutral target and energy system should have further flexibilities to minimise an integration cost to absorb the high share of renewables.

METI's Sub-committee on Energy Basic Plan



*EBPM (Evidence Based Policy Making)



Nikkei, 30th June 2021

Decarbonization will increase power generation costs by 2 times in 2050, panel says, METI Councils

How to minimise integration costs

Electricity price will increase from 11JPY/kWh to 52JPY/kWh. To decrease an integration cost is a key factor to realise carbon neutral society towards 2050.



IV. Global model

Overview of Global Model

30 Countries/Regions

	Region/Country	Description		Region/Country	Description
1	Africa	Africa	16	Mexico	Mexico
2	Africa_North	North Africa	17	MidEast	Middle East
3	ArgenChil	Argentine and Chille	18	Russia	Russia
4	Asia_Cen	Central Asia	19	SaudiArabia	Saudi Arabia
5	Asia_Em	Emergrging Asia	20	UK	UK
6	AusNZ	Australia and NZ	21	USA	USA
7	Brazil	Brazil	22	Asia_Dev	Developed Asis
8	Canada	Canada	23	Eur_Em	Emerging Eurpe
9	China	China	24	Germany	Germany
10	EU26	EU26	25	Indonesia	Indonesia
11	Eur_Dev	Developed Eurpoe	26	Japan	Japan
12	France	Frace	27	Malaysia	Malaysia
13	GCCother	Gulf Countries	28	Qatar	Qatar
14	India	India	29	SouthKorea	South Korea
15	LatAm	Latin America	30	UAE	USA

Reference Energy System (RES)



e.g. Hydrogen Network Diagram



IV. Democratisation of Knowledge







Uncertainty of

Energy Related Infrastructure

System Thinking under

a Variety of Uncertainties

Web-based UI/UX



V. DEMOCRATISATION OF KNOWLEDGE

Independent Evidence Based Decision Making





Democratisation of Knowledge

for Evidence-based Decision Making



VI. Demo

V. DEMO

Sample Scenarios for Systems Analysis



Emissions by Region



Emissions by Region under High Carbon Price



Emissions by Region under Low Carbon Price



Electricity Generation by Technology



Deloitte デロイトトーマッ

Deloitte Tohmatsu Group (Deloitte Japan) is a collective term that refers to Deloitte Tohmatsu LLC, which is the Member of Deloitte Asia Pacific Limited and of the Deloitte Network in Japan, and firms affiliated with Deloitte Tohmatsu LLC that include Deloitte Touche Tohmatsu LLC, Deloitte Tohmatsu Consulting LLC, Deloitte Tohmatsu Financial Advisory LLC, Deloitte Tohmatsu Tax Co., DT Legal Japan, and Deloitte Tohmatsu Corporate Solutions LLC. Deloitte Tohmatsu Group is known as one of the largest professional services groups in Japan. Through the firms in the Group, Deloitte Tohmatsu Group provides audit & assurance, risk advisory, consulting, financial advisory, tax, legal and related services in accordance with applicable laws and regulations. With more than 15,000 professionals in about 30 cities throughout Japan, Deloitte Tohmatsu Group serves a number of clients including multinational enterprises and major Japanese businesses. For more information, please visit the Group's website at www.deloitte.com/jp/en.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entities is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see www.deloitte.com/about to learn more. Deloitte Asia Pacific Limited is a company limited by guarantee and a member firm of DTTL. Members of Deloitte Asia Pacific Limited and their related entities, each of which are separate and independent legal entities, provide services from more than 100 cities across the region, including Auckland, Bangkok, Beijing, Hanoi, Hong Kong, Jakarta, Kuala Lumpur, Manila, Melbourne, Osaka, Seoul, Shanghai, Singapore, Sydney, Taipei and Tokyo.

Deloitte provides industry-leading audit and assurance, tax and legal, consulting, financial advisory, and risk advisory services to nearly 90% of the Fortune Global 500[®] and thousands of private companies. Our professionals deliver measurable and lasting results that help reinforce public trust in capital markets, enable clients to transform and thrive, and lead the way toward a stronger economy, a more equitable society and a sustainable world. Building on its 175-plus year history, Deloitte spans more than 150 countries and territories. Learn how Deloitte's more than 345,000 people worldwide make an impact that matters at <u>www.deloitte.com</u>

This communication contains general information only, and none of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, or their related entities (collectively, the "Deloitte organization") is, by means of this communication, rendering professional advice or services. Before making any decision or taking any action that may affect your finances or your business, you should consult a qualified professional adviser. No representations, warranties or undertakings (express or implied) are given as to the accuracy or completeness of the information in this communication, and none of DTTL, its member firms, related entities, employees or agents shall be liable or responsible for any loss or damage whatsoever arising directly or indirectly in connection with any person relying on this communication. DTTL and each of its member firms, and their related entities, are legally separate and independent entities.



Member of Deloitte Touche Tohmatsu Limited