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# Introduction to Energy System Modelling and the TIMES Modelling Framework

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# Course content

## Day 1

- Introduction: UrGe4Hy Project, University of Stuttgart, and IER
- Basics of Energy planning and the role of Energy System models
- Showcase: Results and analyses possible with energy system models – overview of insights
- Introduction to the Uruguayan Energy System (Dr. Mariana Corengia)
- Troubleshooting installation issues

## Day 2

- Introduction on how to build and use a model
- Hands-on presentations and exercises

## Day 3

- Hands-on presentations and exercises
- Future/further applications of modelling
- Evaluation of students
- Evaluation and feedback on course



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# Introduction on how to build and use a model

## Basic Components of the TIMES Model Generator

image: ewi



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# Agenda

- Introduction
  - TIMES Model Generator
  - Linear Programming Model
  - Example
- TIMES Components
  - The Reference Energy System
  - Inputs and Outputs
  - Commodities
  - Processes
  - Spatial and Temporal Resolution
  - Modelling Steps
- VEDA2.0

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# Introduction - TIMES Model Generator

- TIMES (The Integrated Market Eform System) is a **bottom-up optimization model**.
  - Energy Technology Systems Analysis Program (ETSAP) of the International Energy Agency (IEA)
- Developed for long-term energy planning and determining **least-cost** decarbonization pathways.
- It maps an energy system in a technologically detailed manner as a network of **processes** and **goods** in the form of a so-called **reference energy system**.
- Actors can have **perfect foresight / myopic** approach.
- Analysis of competition and substitution effects between technologies.
- Detailed representation of results: energy flows, new capacities, emissions, costs
- By specifying framework conditions, various issues can be formulated.
  - e.g. the most cost-effective way to reach greenhouse gas reduction targets in compliance with technical and ecological restrictions.

# Introduction - Linear Programming model

- a general objective function  $z$  can be formulated as:

$$z: c_0 = \sum_{k=1}^n c_k \cdot x_k + c = \min$$

- under the constraints  $r$  :

$$r_i: \quad a_{ik} \cdot x_k \leq b_i \quad (i = 1, \dots, m)$$

- The right hand side (RHS) constants  $b$  and the variables  $x$  may not be negative

$$b_i \geq 0$$

$$x_k \geq 0 \quad (k = 1, \dots, n)$$

## Introduction - Example

- Two power plant units with the rated power of  $x_{1,up} = 100$  MW and  $x_{2,up} = 50$  MW are used for covering the energy demand in a supply area.
- The plants are to be used for of at least 85 MW of their capacity.
- Because of technical reasons, unit 1 must be operated with a minimum capacity of  $x_{1,low} = 25$  MW and unit 2 with a minimum capacity of  $x_{2,low} = 15$  MW.
- Due to limited feedstock, the total power may not exceed 170 MW.
- This should be done optimally in order to minimize costs.

- restrictions:

$$r_1: x_1 \geq 0 \text{ MW}$$

$$r_2: x_2 \geq 0 \text{ MW}$$

$$r_3: x_1 \leq x_{1,up} = 100 \text{ MW}$$

$$r_4: x_2 \leq x_{2,up} = 50 \text{ MW}$$

$$r_5: x_1 \geq x_{1,low} = 25 \text{ MW}$$

$$r_6: x_2 \geq x_{2,low} = 15 \text{ MW}$$

$$r_7: x_1 + x_2 \geq 85 \text{ MW}$$

$$r_8: x_1 + x_2 \leq 170 \text{ MW}$$



# Introduction - Example

- The time-related operating costs  $c$  for the stationary operation of the units can be approximated as:

$$c_i(x_i) = FOM_i + VOM_i \cdot x_i$$

$FOM$  = fixed operating and maintenance costs

$VOM$  = variable operating and maintenance costs

	Unit	Power plant 1	Power plant 2
FOM	€/h	150	125
VOM	€/MWh	60	80

$$c_o(x_1; x_2) = c_1(x_1) + c_2(x_2)$$

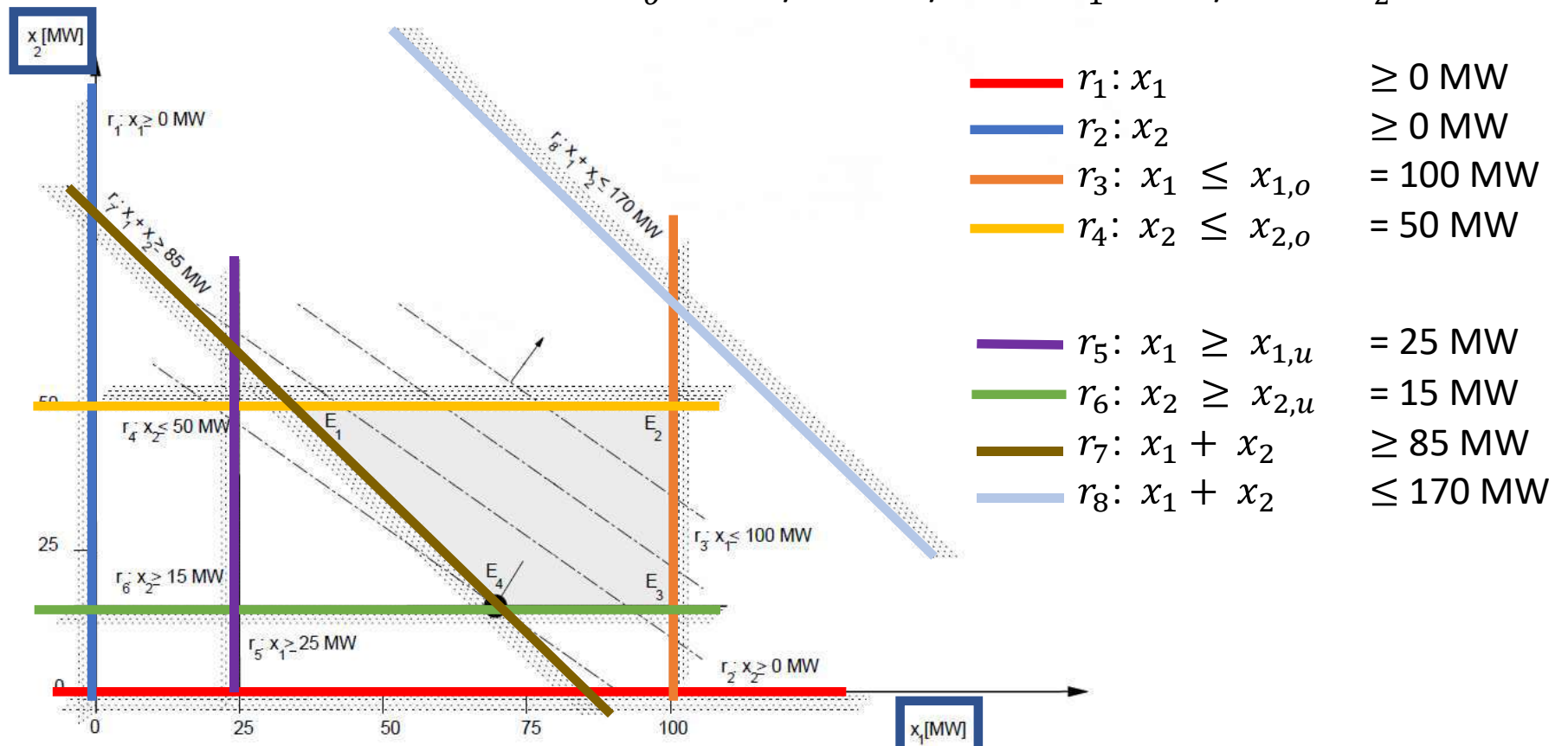
$$c_1 = 150 \text{ €/h} + 60 \text{ €/MWh} \cdot x_1$$

$$c_2 = 125 \text{ €/h} + 80 \text{ €/MWh} \cdot x_2$$

$$c_o = 275 \text{ €/h} + 60 \text{ €/MWh} \cdot x_1 + 80 \text{ €/MWh} \cdot x_2 = \min$$

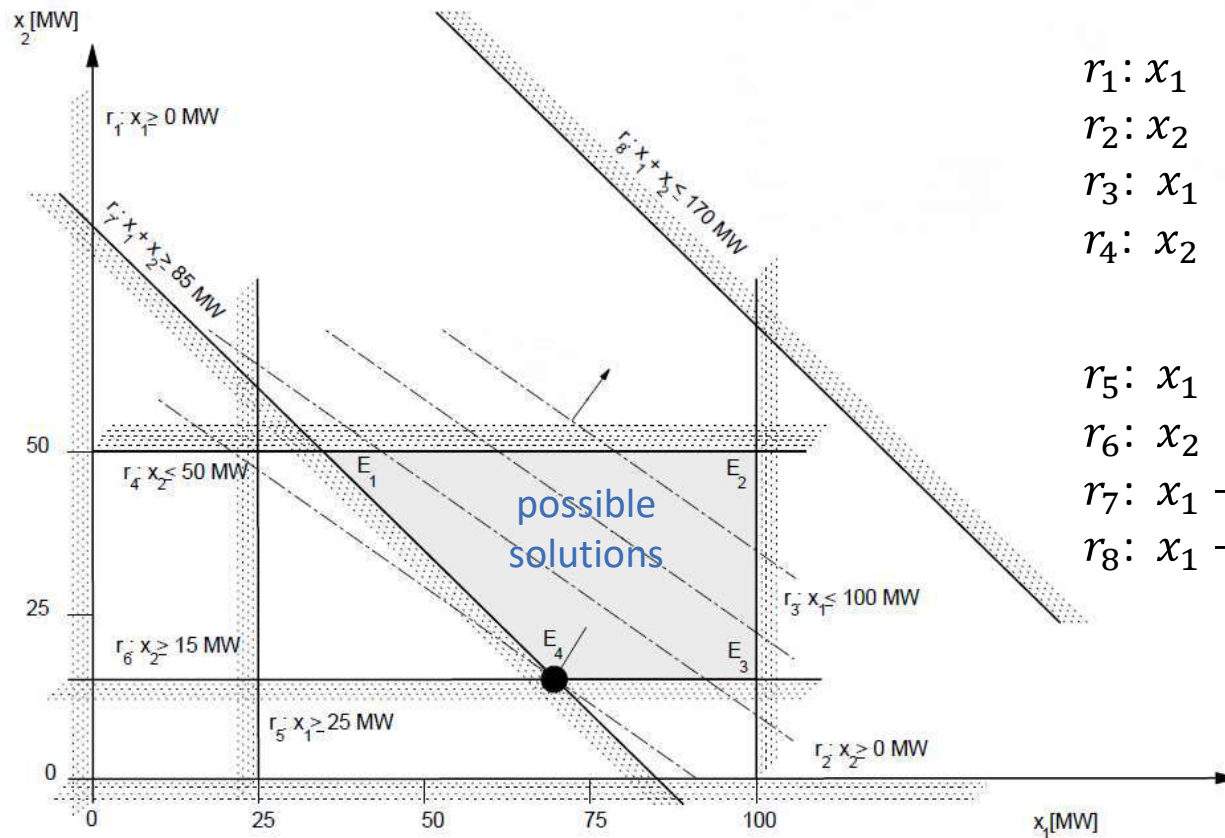
# Introduction - Example: Graphical solution

$$c_0 = 275 \text{ €/h} + 60 \text{ €/MWh} \cdot x_1 + 80 \text{ €/MWh} \cdot x_2 = \min$$



# Introduction - Example: Graphical solution

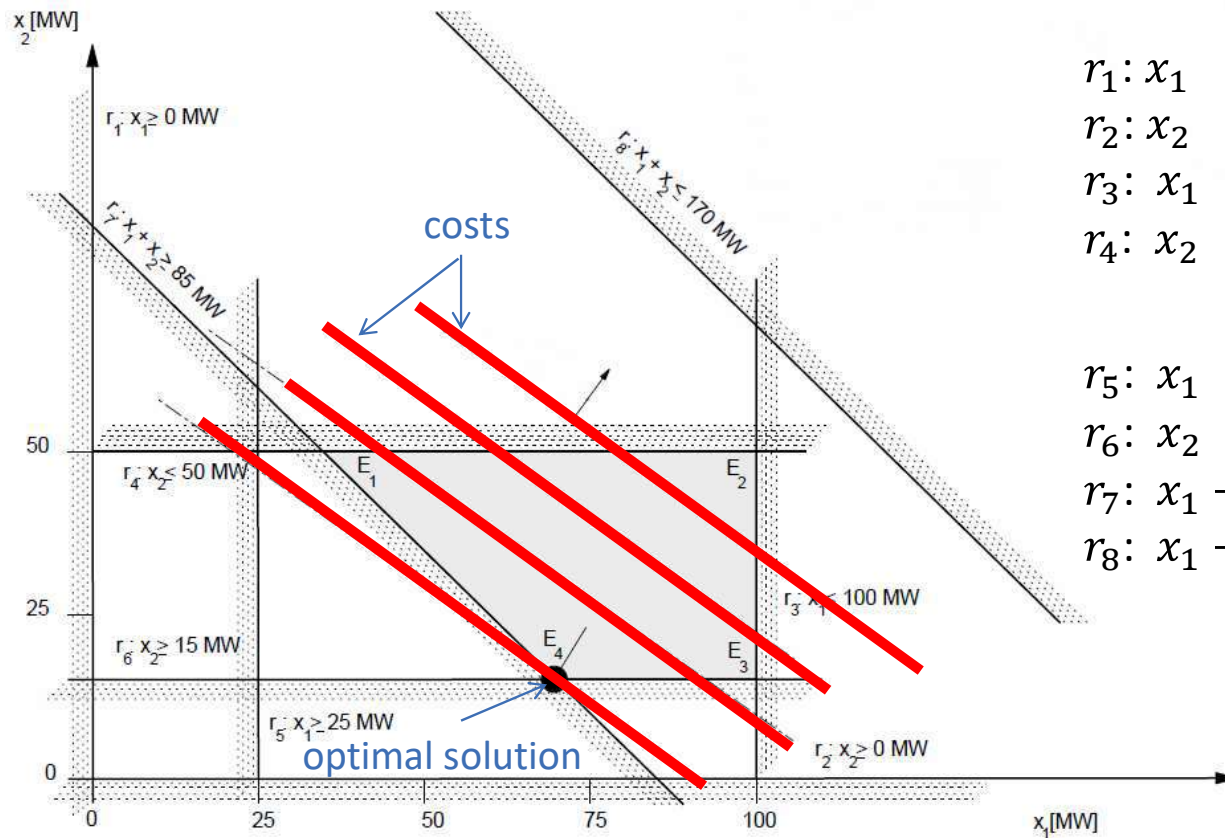
$$c_0 = 275 \text{ €/h} + 60 \text{ €/MWh} \cdot x_1 + 80 \text{ €/MWh} \cdot x_2 = \min$$



- $r_1: x_1 \geq 0 \text{ MW}$
- $r_2: x_2 \geq 0 \text{ MW}$
- $r_3: x_1 \leq x_{1,0} = 100 \text{ MW}$
- $r_4: x_2 \leq x_{2,0} = 50 \text{ MW}$
- $r_5: x_1 \geq x_{1,u} = 25 \text{ MW}$
- $r_6: x_2 \geq x_{2,u} = 15 \text{ MW}$
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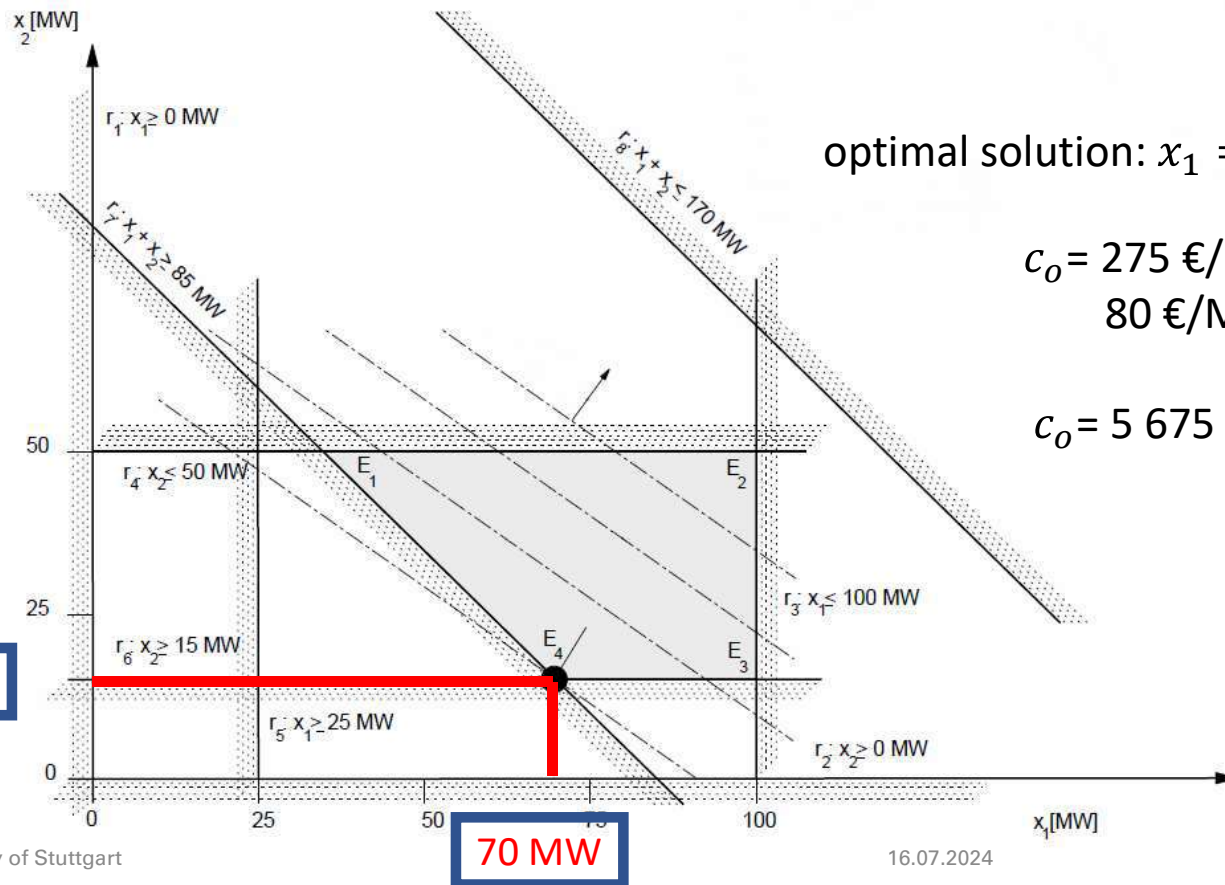
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# Introduction - Example: Graphical solution

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- VEDA2.0

# TIMES Components - The Reference Energy System (RES)

- **Reference Energy System (RES)**

- Representation of energy system as network consisting of processes and commodities

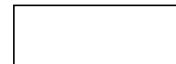
- **Commodities** (e.g. energy carriers, emissions)

→ Represented as vertical lines in the diagram



- **Processes** (e.g. technologies)

→ Represented as a box in the diagram



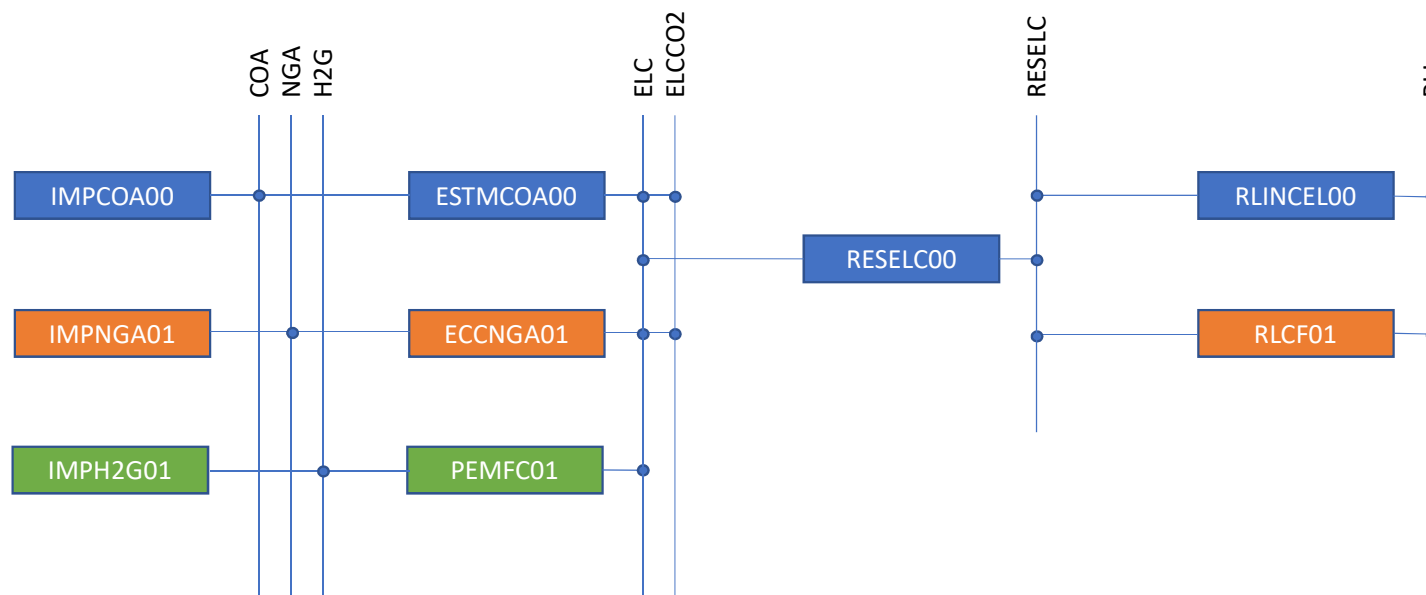
- **Commodity flows**

→ Represented as the horizontal line in the diagram between the commodities and the processes



# TIMES Components - The Reference Energy System (RES)

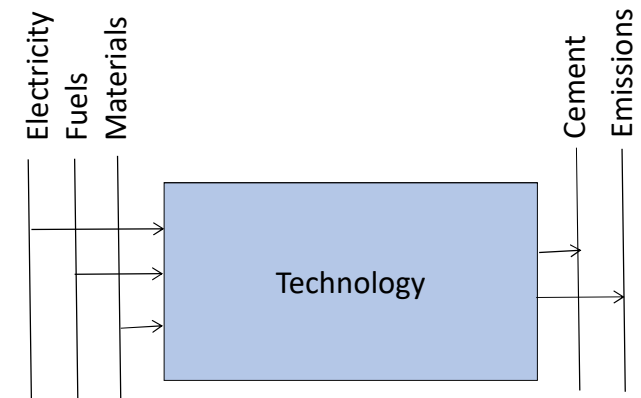
- Reference Energy System (RES)
  - Representation of energy system as network consisting of processes and commodities





# TIMES Components - Inputs & Outputs

- Inputs:
  - *Demands*
    - (Base year and projections)
  - *Technical*
    - (Existing capacities, efficiencies, lifetime, starting year for new technologies, retirement profiles, inputs/outputs, ...)
  - *Economic*
    - (Investment costs, fixed operational and maintenance costs, delivery costs, commodity prices...)
  - *Environmental*
    - (Emission coefficients, environmental targets...)
- Outputs:
  - The least cost solution to produce **demands** while satisfying **constraints**.
    - Technology investments (capacity and related costs)
    - Technology annual activities (input and output)
    - Emission trajectories
    - Marginal prices of commodities
    - Total discounted system cost



# TIMES Components - Commodities

(Vertical Lines on RES)

- DMD Demands (e.g. electricity, residential cooling, cement...)
- ENV Emissions (e.g. fuel related CO<sub>2</sub>f, CH<sub>4</sub>f, N<sub>2</sub>O<sub>f</sub> and process related CO<sub>2</sub>p, CH<sub>4</sub>p, N<sub>2</sub>O<sub>p</sub>...)
- NRG Energy (e.g. electricity, heat, coal, natural gas, hydrogen...)
- MAT Materials (e.g. clinker, raw iron, hydrogen as feedstock...)

# TIMES Components - Processes

- Types of Processes
  - **Base Year Techs** (residual capacity, name ending 00)
  - **New Techs** (investment costs, starting year, name ending 01, 02...)
  - **Mining** (national resources, requires no input, start with MIN)
  - **Import** (trade between regions, start with IMP)
  - **Dummies** (help avoiding model infeasibilities, very high costs, IMP\*Z)
    - IMPDEMZ (Demands)
    - IMPMATZ (Materials)
    - IMPNRGZ (Energy)

# TIMES Components - Parameters

## Time-independent parameters

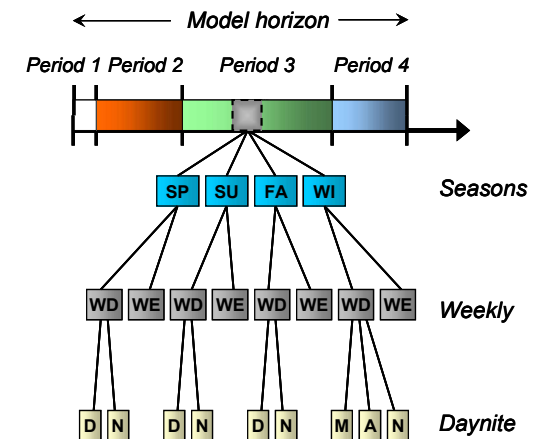
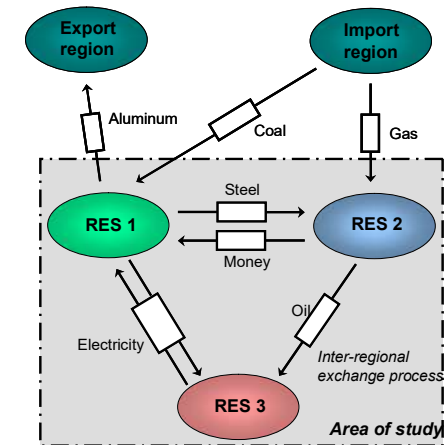
- Inputs
- Outputs
- Capacity to activity ratio

## Time sensitive parameters

- **Base year technologies**
  - FOM, VAR costs
  - Efficiency
  - \*Emissions (fuel/process)
  - Residual capacity
  - No reinvestment
- **New technologies**
  - Investment costs
  - FOM, VAR costs
  - Efficiency
  - \*Emissions (fuel/process)
  - Availability of the technology
  - Lifetime

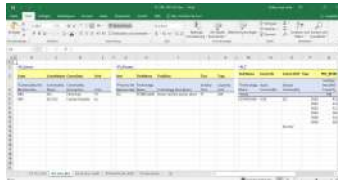
# TIMES Components – Spatial and Temporal Resolution

- Spatial Resolution
  - Internal and External Regions
  - Multiple regions where trade of commodities can take place in both directions
  - Obtain commodities from outside of system boundaries at a price
  - Dummies (very high costs, allows the model to avoid infeasibilities)
- Temporal Resolution
  - Annual, seasonal, day/night, hourly....
  - Milestone years, Time Horizon...

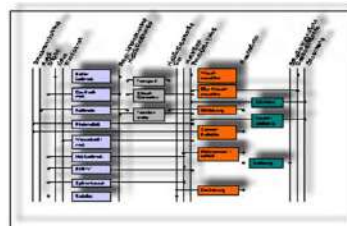


# TIMES Components - Modelling steps

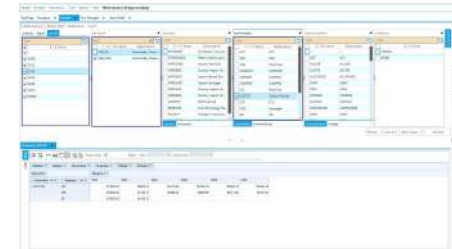
**Data Collection / Excel**



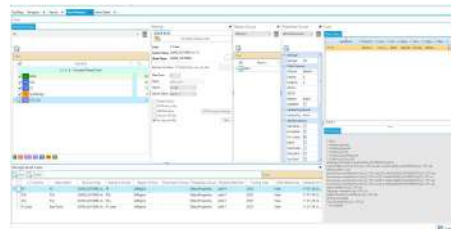
**RES**



**Analysis of results in VEDA**



**Model management /  
in VEDA**



**Solving  
(General Algebraic  
Modeling System  
and solver)**

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# VEDA2.0

- Veda2.0 is a **data handling** system for **TIMES**.
- It is based on a **modular approach** that organizes the model input data, and results, into an integrated database.
  - Information is visible via tabular browsing (data cubes) and network diagrams.
  - easy to **activate/deactivate/replace** sectors or regions. Different analysts should be able to work on different sectors or regions in parallel.
- Veda2.0 **can read a wide variety of layouts** - timeseries, regions in columns, attributes in columns etc., to **minimize structural pre-processing**.
- **Veda2.0 displays and manages data** (e.g. which scenarios to include in the model runs) however all **data editing should take place in Excel**



# VEDA2.0

- **StartPage**
  - Shows the list of model folders on the directory
- **Modules:**
  - **Navigator** (keyboard shortcut F6) - to see all Excel files that are included in the model.
  - **Browse** (F7) - for a tabular view of the input data - across all Excel files.
  - **Items List** - lists of all items - processes, commodities, commodity groups, and user constraints.
  - **Items Detail** (F8) - to see topology and input parameters for items.
  - **Run Manager** (F9) - to define and run cases.
  - **Results** (F10) - to analyze model output.

