

Renewable Energy Storage and Utilization Using Hydrogen and Anhydrous Ammonia

MN House Energy and Climate Committee August 27, 2020

Michael Reese, Director - Renewable Energy
UMN West Central Research and Outreach Center
Morris, MN

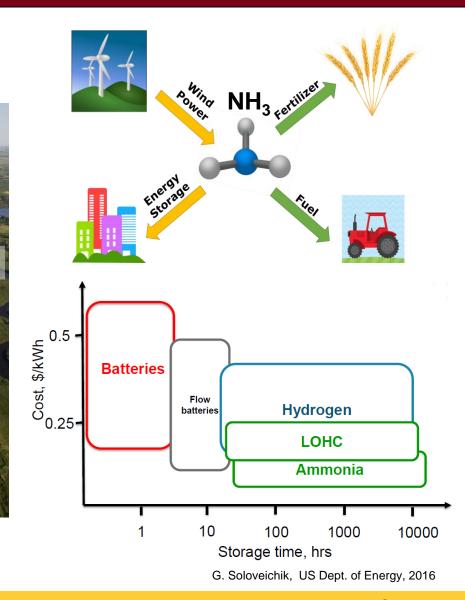
Dr. Prodromos Daoutidis, Professor
UMN Dept. of Chemical Engineering and
Material Science
Minneapolis, MN

Renewable Ammonia for Energy Storage

University of Minnesota is a global research leader in this field.



Existing Wind-to-Ammonia Pilot Plant at the UMN WCROC, Morris, MN



Benefits for using ammonia as regional-scale energy storage

- •Provides both distribution and transmission-scale energy storage,
- •Wide range of fuel uses (ICE genset, turbine, fuel cell, and thermal energy)
- Seasonal storage capability,
- Grid stabilization,
- •Readily dispatchable generation capacity (Peak load and peak fertilizer months are complementary. High N fertilizer demand is during utility shoulder seasons.),
- •Enables utilization of excess generation of wind, solar, and nuclear (low and negatively priced power within the Regional Transmission Organization / Independent System Operator),
- Provides emergency backup outside of traditional energy sources
- •Flexibility between renewable and non-renewable generation (allows choice of carbon intensity of fuel between green and brown ammonia)
- •Significant levels of ammonia storage already in the Midwest (and usually near significant distribution and transmission lines as well as industrial load), and
- •Multiple avenues of synthesis (electricity, methane from manure, gasification, etc)

Large-scale ammonia storage is already in place:



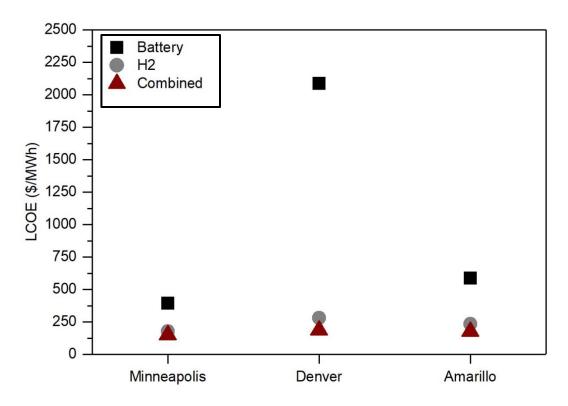
CF Industries Glenwood Ammonia Terminal

- Capacity of 60,000 tons of NH₃
- Equivalent to an estimated 111,000 MWh of electricity
- Wind and solar PV in close proximity
- Capex 500 kV line in close proximity
- Hub for wind energy transmission

Hydrogen and Ammonia Renewable Energy Storage Systems

Palys & Daoutidis. (2020). Comput. Chem. Eng., 136, 106875.

Optimal economics: Levelized cost of energy

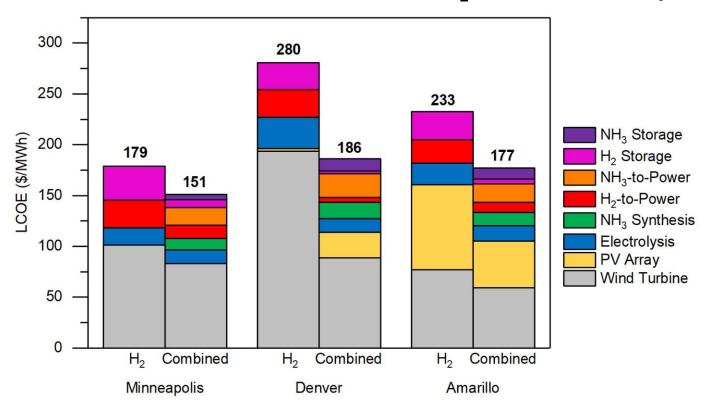


- Batteries alone are expensive (especially for significant long-term storage)
- Hydrogen provides improvement
- Hydrogen and ammonia is optimal

Hydrogen and Ammonia Renewable Energy Storage Systems

Palys & Daoutidis. (2020). Comput. Chem. Eng., 136, 106875.

Optimal economics: LCOE cost breakdown for H₂ and combined systems



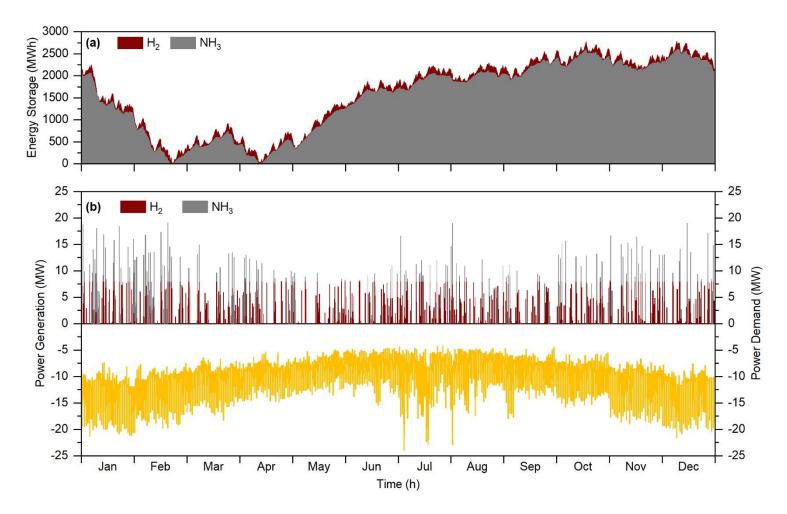
- Renewable generation infrastructure costs dominate: 55-75%
- Ammonia production costs not significant: 11-16\$/MWh

Why do we need ammonia?

Hydrogen and Ammonia Renewable Energy Storage Systems

Palys & Daoutidis. (2020). Comput. Chem. Eng., 136, 106875.

Optimal Schedules: Minneapolis, MN

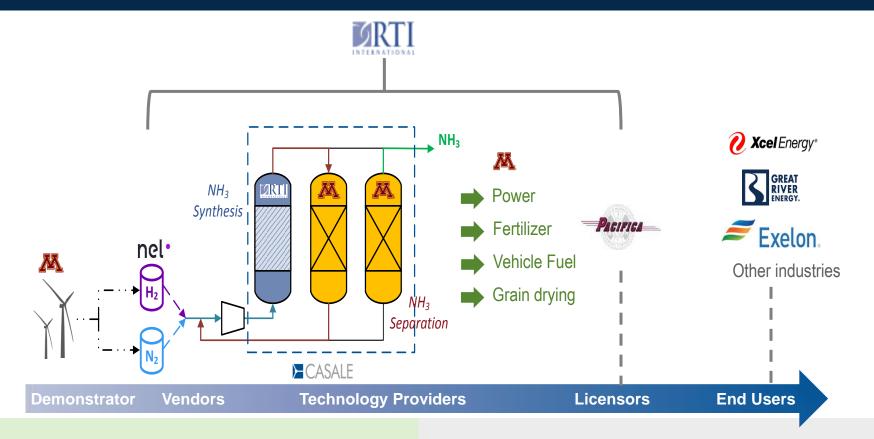


Hydrogen : fast / ammonia : slow (seasonal) → efficiency vs. storage cost

Request Matching Funds for a 1000 kg / d Ammonia Production Pilot Plant

- Federal funding is anticipated to construct an integrated ammonia technology production plant which uses electricity to power production.
- ➤ The production plant will be a globally-unique asset which will showcase leading edge ammonia production and energy storage technologies technologies that will be important for Xcel Energy and other utilities across the State.
- ➤ Due to our past leadership, the University of Minnesota is considered a top candidate although there is significant competition.
- ➤ The total project is anticipated to cost \$18.4 million with over \$10 million provided by the US Dept of Energy ARPA-E REFUEL Program.
- ➤ Up to 50% matching funds are required. If successful, we anticipate the University of Minnesota's share will be up to \$5.2 million.
- ➤ A contribution from the Xcel RDA fund will provide a huge boost in attracting this important energy storage project to the State!

Proposed 1 MT/day Ammonia Technology Integration



Renewables-based Market

- Midwestern market ideally located with access to renewables
- Well-developed market for fertilizers; potential for storage

Integration with existing NH₃ plants

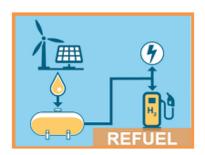
- Drop-in opportunity for greenfield plant designs
- **Debottleneck existing plants**

Acknowledgements

ARPA-E Refuel Program

Grant USDOE / DE-AR0000804





Legislative-Citizen Commission on Minnesota Resources

Environmental and Natural Resources Trust Fund

