



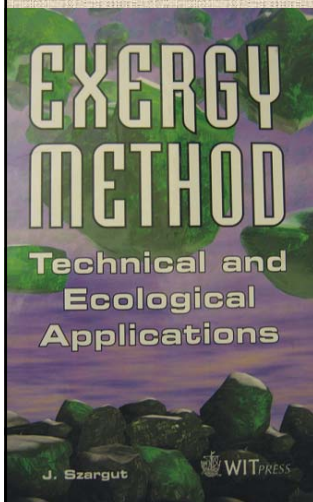
Institute of Thermal Technology, Silesian University of Technology  
Efficiency, Cost, Optimization, Simulation and Environmental Impact of Energy Systems,  
Crete 12-14 July 2006



## *Thermo-Ecological Cost Analysis Theory and Applications*

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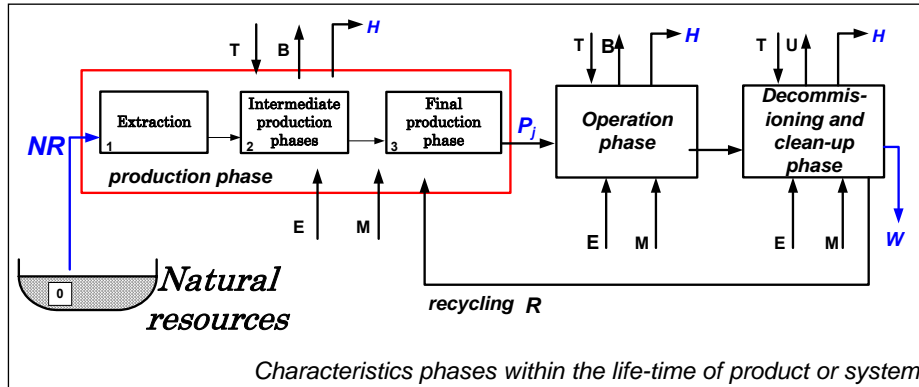
**Silesian University of Technology  
Institute of Thermal Technology  
Gliwice, POLAND**



*ECOS'2005  
Trondheim  
NORWAY*



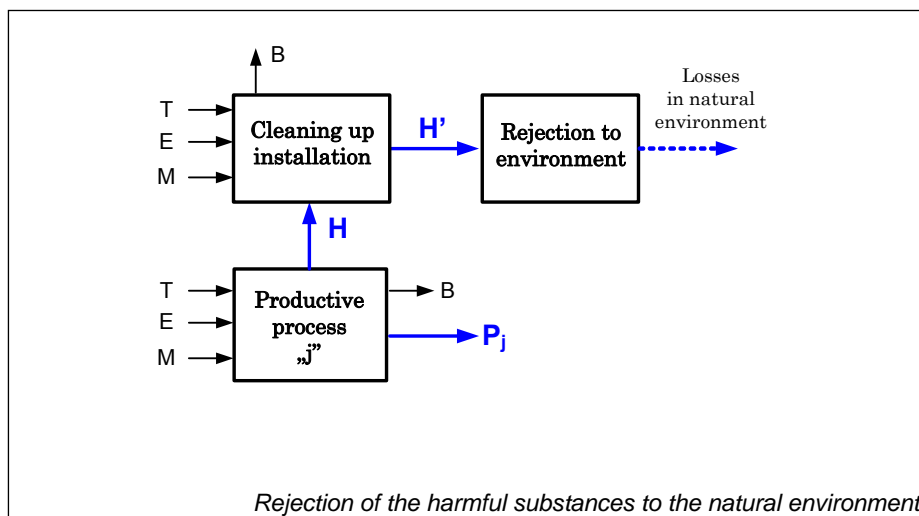
### 1. General Concept of the Thermo-Ecological Cost



### Unfavourable influence of human activity upon environment

- 1) depletion of limited non-renewable natural resources
- 2) rejection of harmful substances to the natural environment

### 1. General Concept of the Thermo-Ecological Cost



Rejection of the harmful substances to the natural environment



## 1. General Concept of the Thermo-Ecological Cost

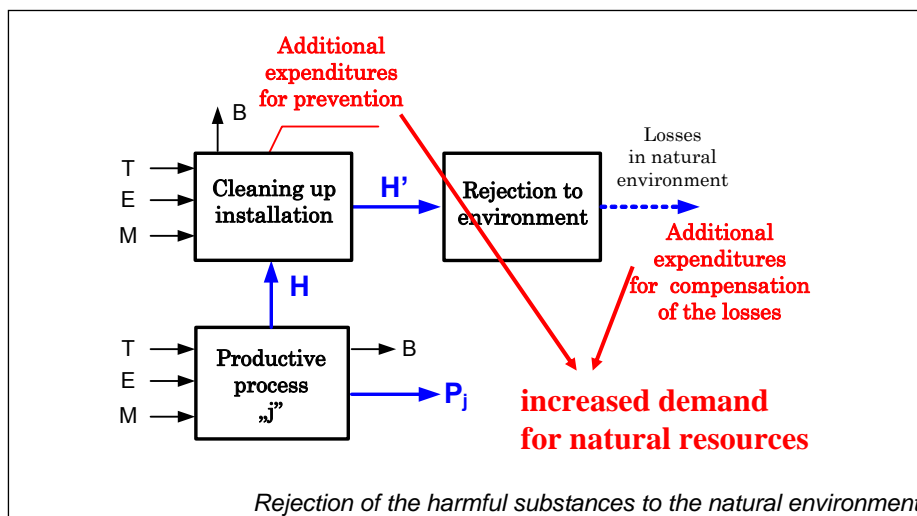
**Rejection of the harmful waste substances leads mainly to losses in the following fields:**

human health	→	demand for additional health preventives and medicines
useful industrial or other manufactured products corrosion of - machines - buildings - transportation equipment etc.	→	demand for additional products replacing damaged ones or demand for additional expenses for corrosion prevention
agricultural and foresttal production	→	demand for additional expenses for compensation losses

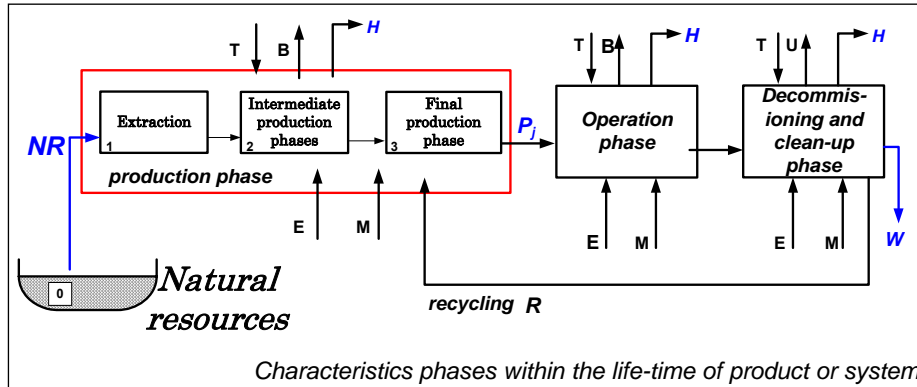
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## 1. General Concept of the Thermo-Ecological Cost



## 1. General Concept of the Thermo-Ecological Cost



**Depletion of non-renewable natural resources results from:**

- 1) demand for raw materials and semi-finished products
- 2) necessity of prevention or compensation the ecological losses

## 1. General Concept of the Thermo-Ecological Cost

*Human activities is possible thanks to the use of natural resources*

*Part of them belongs to the group of non-renewable resources*

*Depletion of such resources presents crucial danger  
 from the point of view of future existence of humankind*

### **THE MAIN AIM OF ECOLOGICAL ECONOMY**

*Minimisation of consumption non renewable natural resources  
 during designing and operation of productive processes*



## 1. General Concept of the Thermo-Ecological Cost

**Different energy carriers as well as different natural resources are characterized by different quality**

**It is necessary to determine the common measure of the quality of natural resources**

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## 1. General Concept of the Thermo-Ecological Cost

### **Evaluation of Natural Capital – Standard Economy**

Only concerns with what being:

- i. directly useful to man,
- ii. is also acquirable, valuable and produce-able.

The price-fixing mechanisms, rarely take into account the concrete physical characteristics which make them valuable.

For this reason, most of the natural resources, remain outside the object of analysis of the economic system.

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## 1. General Concept of the Thermo-Ecological Cost

### Evaluation of Natural Capital – Exergy

#### Physical features which make natural resources unusual:

a particular composition which differentiates them from the surrounding environment

distribution which places them in a specific concentration

This intrinsic properties, can be in fact evaluated from a thermodynamic point of view in terms of exergy

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## 1. General Concept of the Thermo-Ecological Cost

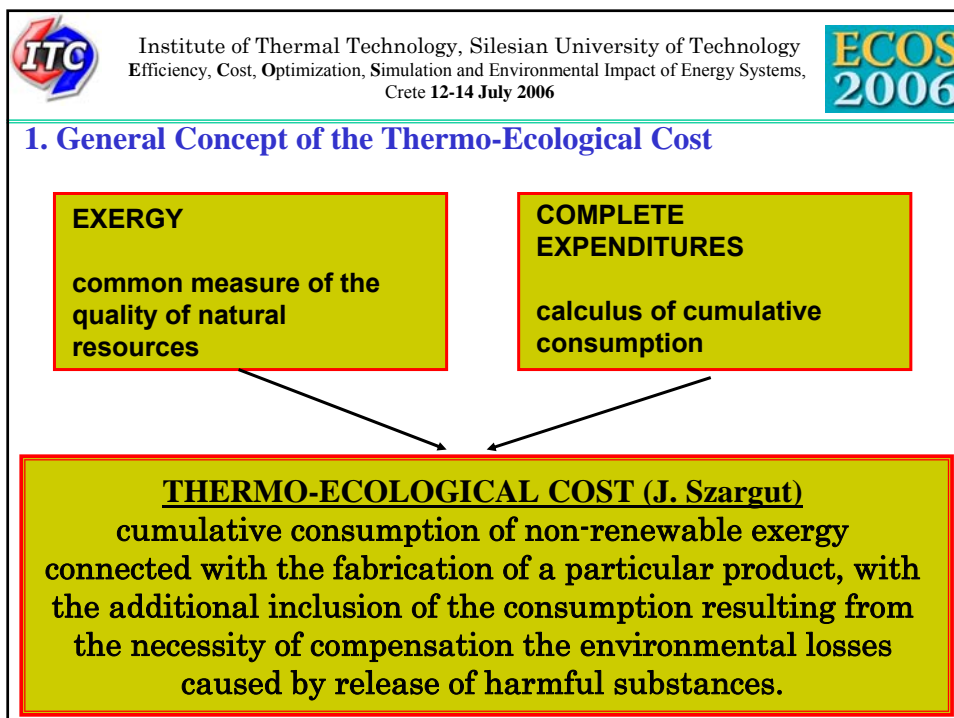
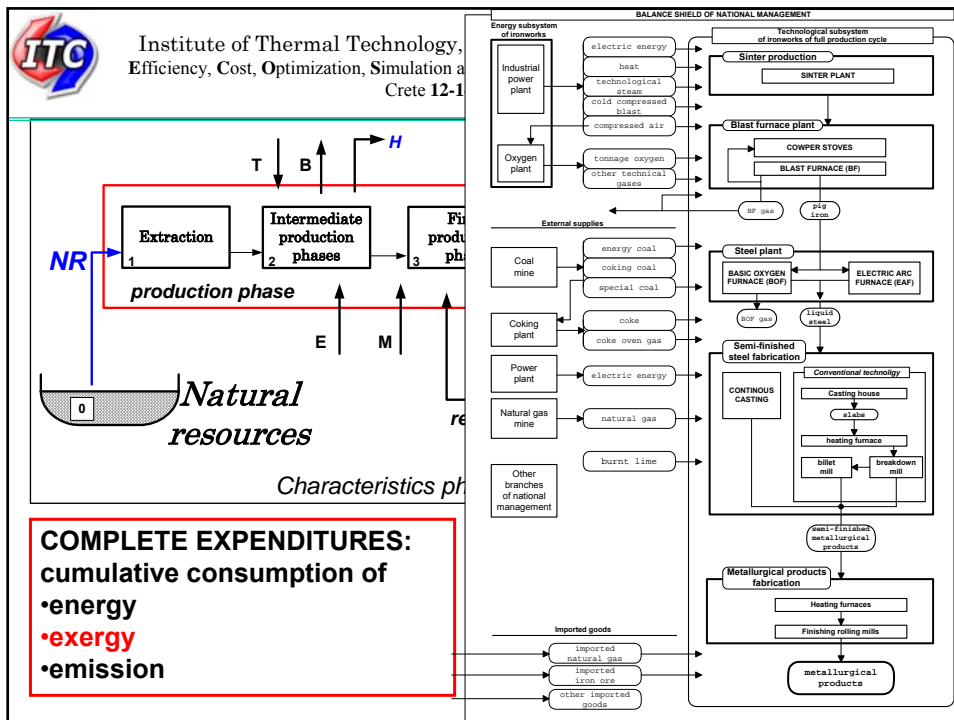
### Evaluation of Natural Capital – Exergy

The thermodynamic value of a natural resource could be defined as the minimum work necessary to produce it with a specific structure and concentration from common materials in the environment.

This minimum amount of work is theoretical by definition and is equal to the material's exergy

**THERMO-ECOLOGICAL ANALYSIS**  
**EXERGY – measure of natural resource quality**

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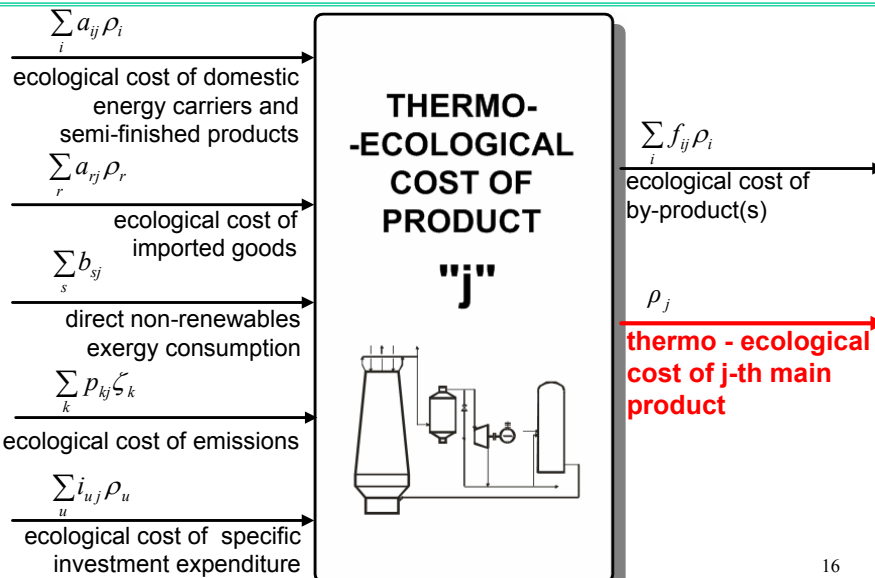
## 2. Methodology of calculation of the thermo-ecological cost

### Evaluation of deleterious impact of waste products by means of their monetary index of harmfulness (J. Szargut)

$$\zeta_k = \frac{Bw_k}{DCP + \sum_k P_k w_k}$$

- B - annual exergy consumption of non-renewable natural resources
- DCP - *DCP = monetary value of all useful products used in the consumption sector, except those used in production processes*
- $P_k$  - monetary coefficient of ecological damages per unit of the  $k$ -th aggressive waste product
- $w_k$  - monetary coefficient of ecological damages per unit of the  $k$ -th aggressive waste product
- $\zeta_k$  - cumulative exergy consumption of non-renewable resources due to the emission of unit of the  $k$ -th waste product

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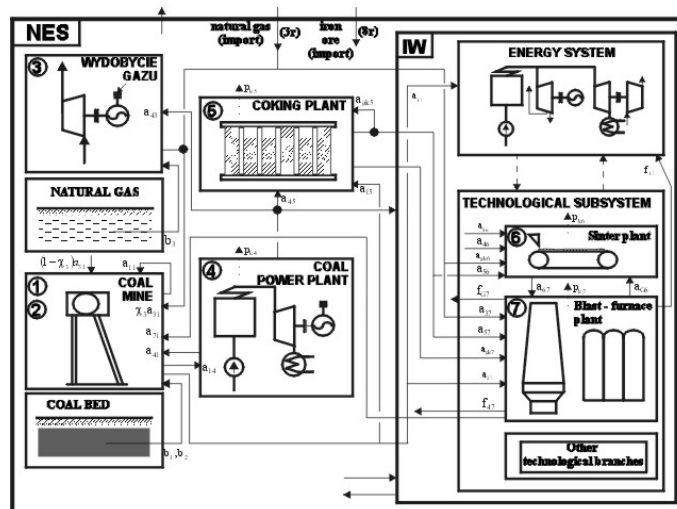
### Balance Equation of the Thermo – Ecological Cost

$$\rho_j + \sum_i (f_{ij} - a_{ij}) \rho_i - \sum_r a_{rj} \rho_r = \sum_s b_{sj} + \sum_k p_{kj} \zeta_k$$

- $a_{ij}, f_{ij}$  - coefficient of the consumption and by-production of the  $i$ -th product per unit of the  $j$ -th major product
- $a_{rj}$  - coefficient of the consumption of  $r$ -th imported product per unit of the  $j$ -th major product
- $b_{sj}$  - exergy of the  $s$ -th non-renewable natural resource immediately consumed in the process under consideration per unit of the  $j$ -th product
- $\rho_j, \rho_i, \rho_r$  - indices of the thermo-ecological cost of the  $j$ -th,  $i$ -th, and  $r$ -th product
- $p_{kj}$  - amount of the  $k$ -th aggressive component of waste products rejected to the environment per unit of the  $j$ -th product
- $\zeta_k$  - cumulative exergy consumption of non-renewable resources due to the emission of unit of the  $k$ -th waste product

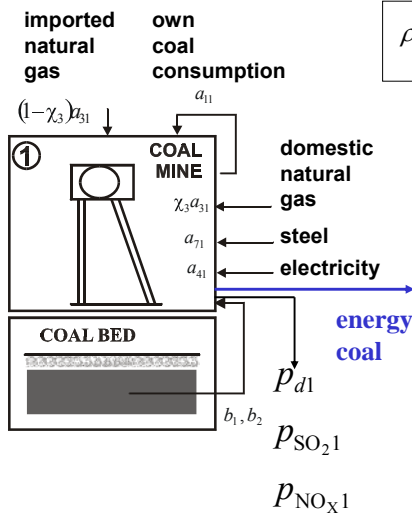
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### All processes are interconnected cumulative analysis



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Example equation - coal mine j=1



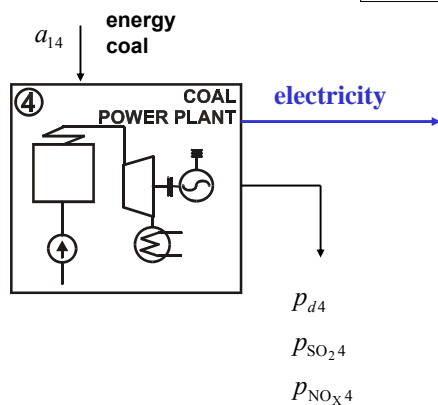
$$\rho_j + \sum_i f_{ij} \rho_i - \sum_i a_{ij} \rho_i - \sum_r a_{rj} \rho_r = \sum_s b_{sj} + \sum_k p_{kj} \zeta_k$$

$$(1 - a_{11})\rho_1 - \chi_3 a_{31} \rho_3 - a_{41} \rho_4 - a_{71} \rho_7 = b_1 + (1 - \chi_3) a_{31} \rho_{3r} + \sum_k p_{1k} \zeta_k$$

$a_{11} = 0.0058 \text{ kg/kg}$ ,  $a_{31} = 0.000041 \text{ kmol/kg}$ ,  
 $a_{41} = 0.175 \text{ MJ/kg}$ ,  $a_{71} = 0.004 \text{ kg/kg}$ ,  
 $a_{22} = 0.0058 \text{ kg/kg}$ ,  $a_{32} = 0.000041 \text{ kmol/kg}$ ,  
 $a_{42} = 0.175 \text{ MJ/kg}$ ,  $a_{72} = 0.004 \text{ kg/kg}$   
 $b_1 = 21.80 \text{ MJ/kg}$

$p_{SO_2,1} = p_{NO_x,1} = p_{d,1} = 0.0001 \text{ kg/kg}$

Example equation - coal power plant j=4



$$\rho_j + \sum_i f_{ij} \rho_i - \sum_i a_{ij} \rho_i - \sum_r a_{rj} \rho_r = \sum_s b_{sj} + \sum_k p_{kj} \zeta_k$$

$$\rho_4 - a_{14} \rho_1 = \sum_k p_{4k} \zeta_k$$

$a_{14} = 0.124 \text{ kg/MJ}$  ( $\eta_{el} = 0.35$ )

$p_{SO_2,4} = 0.00218 \text{ kg / MJ}$

$p_{NO_x,4} = 0.00101 \text{ kg / MJ}$

$p_{d,4} = 0.00347 \text{ kg / MJ}$

## 2. Methodology of calculation of the thermo-ecological cost

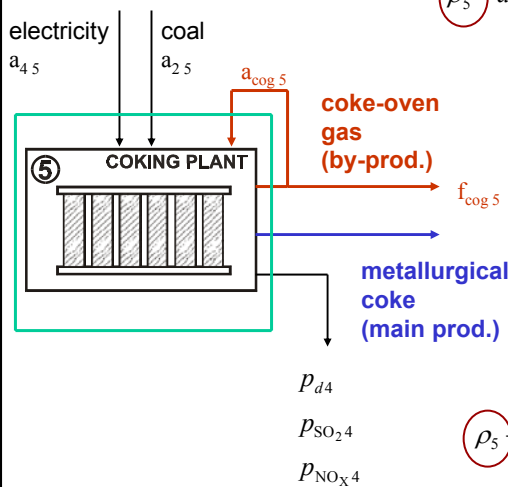
### A. THERMO-ECOLOGICAL COST OF BY-PRODUCTS

Division of the energy consumption or costs between main product and by-products – method of avoided costs (method of replaced process):

*the by-product should be burdened by equivalent costs or energy consumption resulting from the effects of the replacement by other products*

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### method of avoided costs



$$\rho_5 \cdot a_{25} \rho_2 - a_{45} \rho_4 - (a_{\text{cog}5} - f_{\text{cog}5}) \rho_{\text{cog}} = \sum_k p_{5k} \zeta_k$$

effects of substituting the natural gas by coke oven gas

$$a_{\text{cog}5} \rho_{\text{cog}} = a_{35} \rho_{3r5}, \quad f_{\text{cog}5} \rho_{\text{cog}} = f_{35} \rho_{3r5}$$

$$a_{35} = v_{\text{ng-cog}} a_{\text{cog}5}$$

$$f_{35} = v_{\text{ng-cog}} f_{\text{cog}5}$$

$$v_{\text{ng-cg}} \approx 1 \frac{\text{MJ n.g.}}{\text{MJ c.o.g.}} = 0.5 \frac{\text{kmol n.g.}}{\text{kmol c.o.g.}}$$

$$\rho_5 \cdot a_{25} \rho_2 - a_{45} \rho_4 = \sum_k p_{5k} \zeta_k + (a_{35} - f_{35}) \rho_{3r}$$

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## 2. Methodology of calculation of the thermo-ecological cost

### B. THERMO-ECOLOGICAL COST IMPORTED GOODS

*Iterative method of calculation the thermo-ecological cost of imported goods*

$$\rho_j + \sum_i f_{ij} \rho_i - \sum_i a_{ij} \rho_i - \sum_r a_{rj} \rho_r = \sum_s b_{sj} + \sum_k p_{kj} \zeta_k$$

?  $\rho_r$

STANEK W. *Iterative Method of Evaluating the Ecological Cost of Imported Goods*. ECOS'2001, Istanbul, Turcja 2001.

STANEK W. *Iterative Method to Evaluate the Ecological Cost of Imported Goods*. International Journal Applied Thermodynamics, Vol. 4 (No.4), 2001

STANEK W. *Wskaźniki kosztu ekologicznego krajowego eksportu*, Gospodarka Paliwami i Energią, No 10 2001

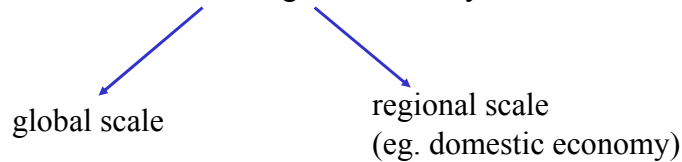
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## 2. Methodology of calculation of the thermo-ecological cost

### B. THERMO-ECOLOGICAL COST IMPORTED GOODS

#### Thermo-ecological cost analysis



whole „interregional” exchange  
appears within the balance boundary

there are not necessity to introducing  
the ecological cost of imported goods  
into the balance equation set

the ecological cost indices of  
imported goods represent the  
additional unknowns

to solve the set of equations some  
knowledge of the ecological cost  
indices of imported goods is  
necessary

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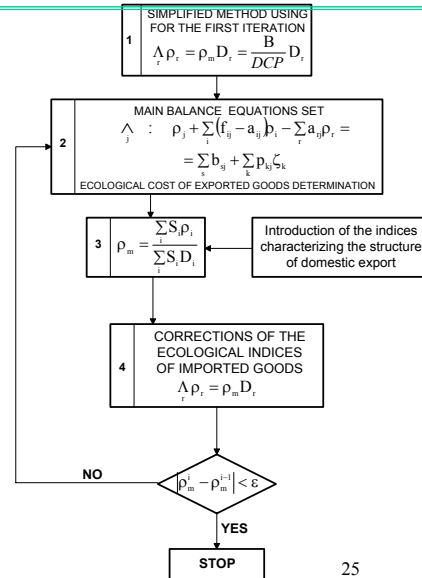
## 2. Methodology of calculation of the thermo-ecological cost

### B. THERMO-ECOLOGICAL COST IMPORTED GOODS iterative algorithm

$\rho_m$  - ecological cost of the exported products, per monetary unit, MJ/€

$D_i, D_r$  - monetary value of the  $i$ -th domestic and  $r$ -th imported product, €/kg, €/kmol

$S_i$  - annual amount of  $i$ -th exported good, kg/a, €/a



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## 3. Minimization of the Thermo-Ecological Cost

### What should be the aim of thermodynamic optimisation ?

Bejan A.: *A thermodynamic optimization aims at minimizing the thermodynamic inefficiencies: exergy destructions and exergy loss*

1. Maximization of exergy efficiency

thermal power plant fed by chemical fuel  $\eta_B = \frac{N}{B_{chF}} = \frac{N}{F b_{chF}}$

2. Minimization of consumption of fuel  $F$

3. In general: minimization of consumption of non-renewable resources

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### 3. Minimization of the Thermo-Ecological Cost

#### Method of thermodynamic optimisation

*Use the value of entropy generation in **considered process** as the objective function which should be minimised for its thermodynamic optimisation (internal exergy losses minimisation in **considered process**)*

1. That method is not consequent, because it does not take into account the entropy generation in the preceding processes delivering energy carriers and semi-finished products to the considered process.

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### 3. Minimization of the Thermo-Ecological Cost

#### Method of thermodynamic optimisation

*Use the value of entropy generation in **considered process** as the objective function which should be minimised for its thermodynamic optimisation (internal exergy losses minimisation In **considered process**)*

2. The method cannot be consequently respected when analysing the utilization of renewable exergy taken from natural resources. For example, when optimizing the solar collector the entropy generation appearing in the considered system is proportional to the consumption of exergy of solar radiation. This consumption does not denote any economical or ecological loss, and therefore **should not be** accepted as the objective function for the optimisation.

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### 3. Minimization of the Thermo-Ecological Cost

#### Thermo-ecological life cycle analysis - objective function

$$P_A = \tau_n \sum_j \dot{G}_j \rho_j + \frac{1}{\tau} \left[ \sum_m G_m \rho_m (1 - u_m) + \sum_r G_r \rho_r \right] \rightarrow \min$$

- $\dot{G}_j, \rho_j$  - nominal flow rate and specific ecological cost of  $j$ -th Raw material, semi-finished product or energy carrier supplied to the production process
- $\tau_n$  - annual operation time with nominal capacity
- $\tau$  - nominal life time of the instalation (in years)
- $u_m$  - expected recovery factor of the  $m$ -th material after wearing the considered device
- $G_m, \rho_m$  - consumption and specific thermo-ecological cost  $m$ -th material or energy carrier used for the construction of the instalation
- $G_r, \rho_r$  - expected consumption and specific thermo-ecological cost of the  $r$ -th material or energy carrier used in repairs

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### 4. Applications of the Thermo-Ecological Cost

- 1) influence of the operational parameters of energy and technological systems upon the depletion of non-renewable natural resources
- 2) selection of the kind of technology that ensures minimal consumption of non-renewable natural resources
- 3) optimisation of design and operational parameters to ensure minimum depletion of natural resources
- 4) evaluation of harmful impacts of waste products
- 5) investigation of the influence of interregional exchange upon the depletion of domestic natural resources
- 6) evaluation of the ecological harmfulness of particular useful goods in their whole life time (thermo-ecological life cycle analysis)
- 7) comparison of sustainability of different useful products
- 8) determination of pro-ecological tax replacing existing PIT and VAT

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### Thermo-Ecological Cost as a Measure of Sustainability

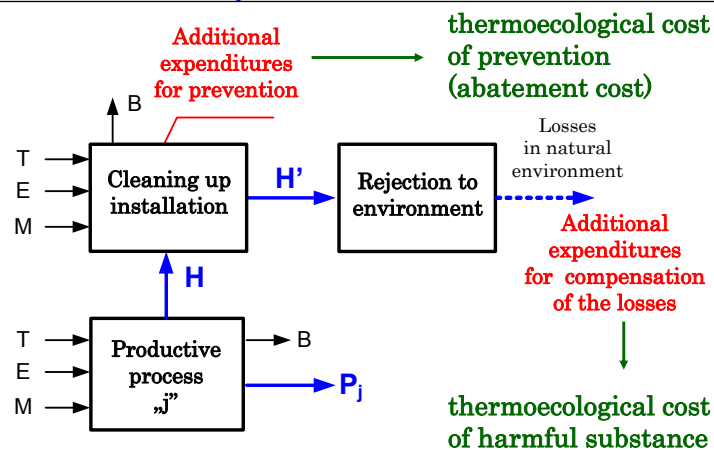
$$r_i = \frac{\rho_i}{b_i} = \frac{\text{thermo - ecological cost}}{\text{specific exergy}}$$

Thermoeological cost of fuels

Energy carrier	$b_{ch}$ MJ/um	$\rho$ MJ/MJ <sub>E</sub>	$r$ MJ/MJ
Hard coal <sup>1</sup>	26.2	1.12	1.04
Coke <sup>1</sup>	31.8	1.58	1.45
Natural gas <sup>2</sup>	821.6	0.90	0.87
Natural gas <sup>2</sup> (domestic)	821.6	1.06	1.02
Natural gas <sup>2</sup> (import)	821.6	0.79	0.76
Coke-oven gas <sup>2</sup>	380.0	0.94	0.94

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### Evaluation of Harmful Impacts of Waste Products



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### Evaluation of Harmful Impacts of Waste Products

Comparison of thermoecological cost of prevention and rejection

Harmful substance	Thermoecological cost of prevention $\sigma_k$	Thermoecological cost of rejection $\zeta_k$	Sustainability Index $r_k$
	MJ/kg	MJ/kg	MJ/kg
CO <sub>2</sub>	4.4	=	=
SO <sub>x</sub>	17.5	45.0	0.38
NO <sub>x</sub>	26	45.0	0.58
Pyt	0.5	9.5	0.05

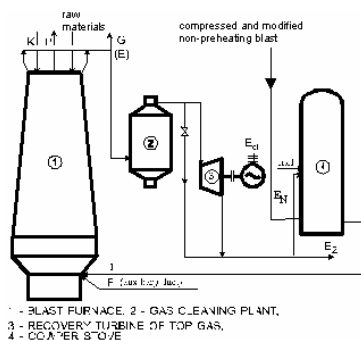
Share of thermoecological cost of prevention in the total amount of exergy of domestic coal  
**B** – exergy of reserves, **A** – total prevention TH cost

Resource	B PJ	A PJ	A/B %
Hard coal	1179412	21999.45	1.86
Lignite	125856	12265.08	9.74

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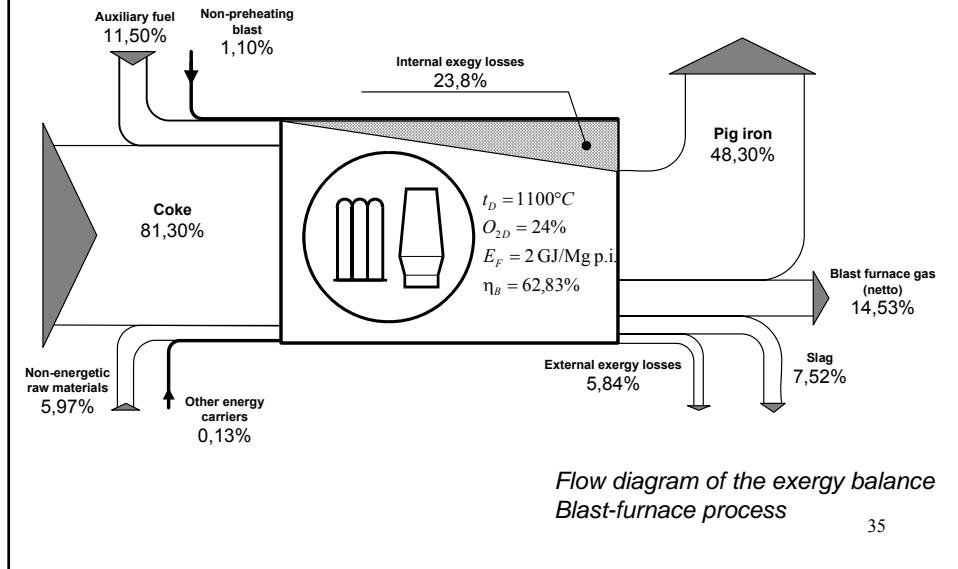
### Influence of the Operational Parameters of Energy and Technological Systems upon the Depletion of Non-renewable Natural Resources

Input part of cumulative energy consumption of selected blast-furnace plant (without raw material)



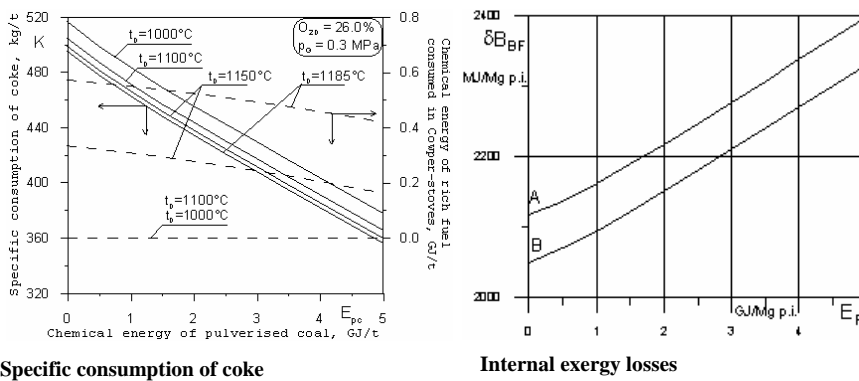
Carrier	Cumulative energy consumption	
	TJ / year	%
<b>Coke</b>	<b>74706</b>	<b>81,94</b>
Blast	9148	10,03
Coke-oven gas	3083	3,38
Natural gas	1261	1,38
Electric energy	1316	1,44
Compressed nitrogen	1036	1,14
Compressed oxygen	54	0,06
Technological steam	326	0,36
Compressed air	193	0,21
Soft water	15	0,02
Industrial water	41	0,04
$\Sigma$	91179	100,00

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*Results of injection of pulverised coal into Blast-furnace*

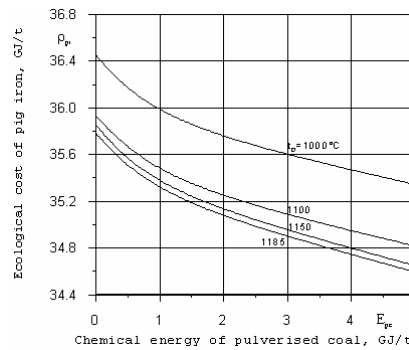
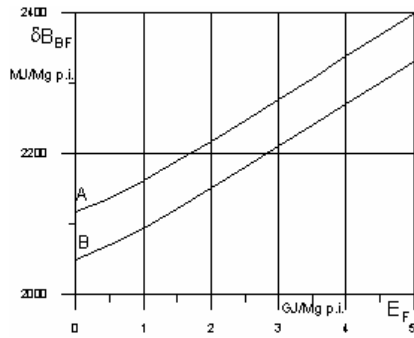


***From the point of view of minimisation of entropy generation in considered process the injection of pulverized coal into Blast furnace is not profitable***

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*Comparison of internal exergy losses and Thermo-Ecological Cost*



$r_{pc} = 1.07, r_c = 1.40$

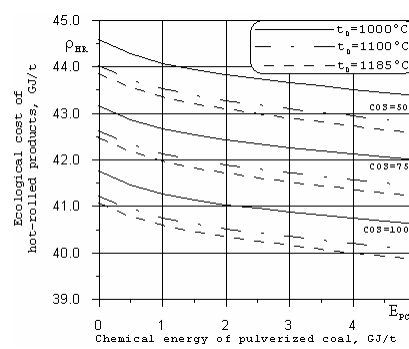
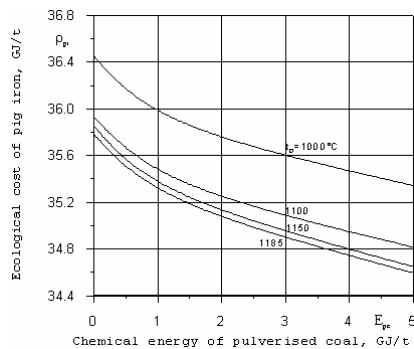
*PCI is most effective (from the economic point of view) way to replacement of the metallurgical coke in blast furnace*

*Also from the point of view of ecological economy PCI is profitable*

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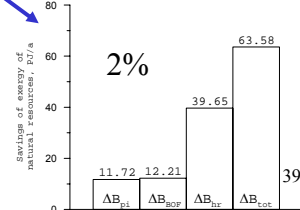
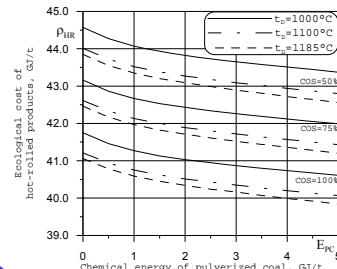
*Influence of the Operational Parameters of Energy and Technological Systems upon the Depletion of Non-renewable Natural Resources*



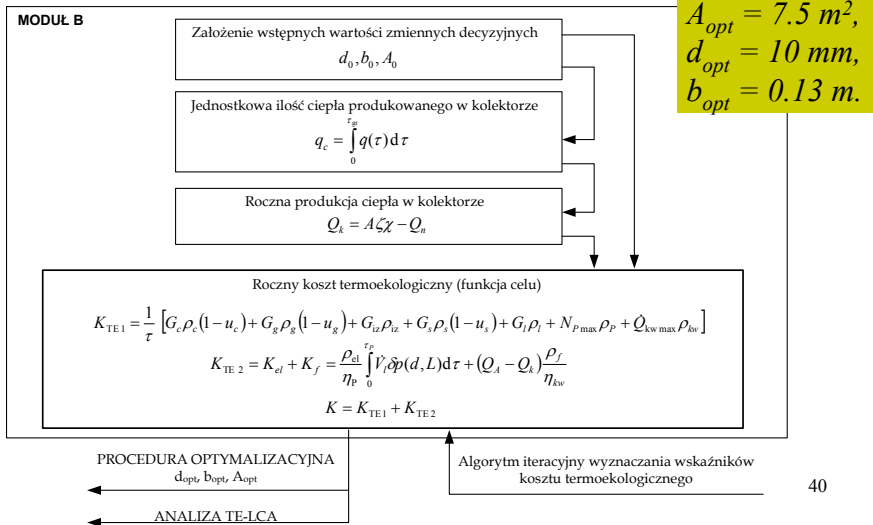
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### Optimization of operational parameters to ensure minimum depletion of natural resources - Blast-furnace process

A. Natural gas – practical parameters			
F, kmol/t	t <sub>D</sub> , °C	O <sub>2D</sub> , %	ρ <sub>sur</sub> MJ/kg
1,978	1102	26,4	34,92
B. "Low parameters"			
0	1100	22	36,02
C. Coke-oven gas minimum			
6,047	1180,4	27	34,79
D. Natural gas minimum			
3,193	1183	27	34,68
E. Pulverised coal minimum			
179,5	1185	27	34,50

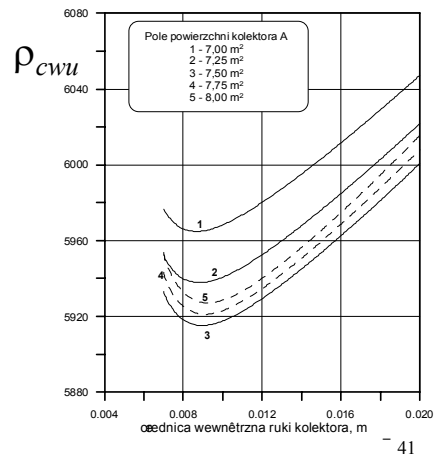
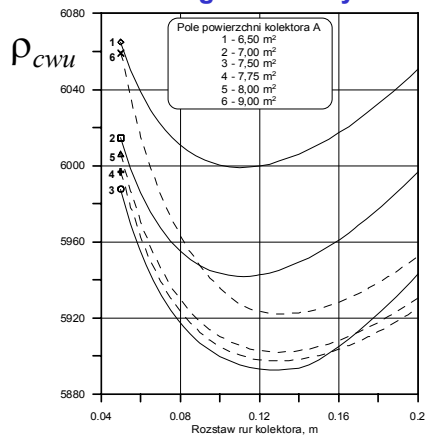


### Optimization of design parameters to ensure minimum depletion of natural resources - Solar collector



**Optimization of design parameters to ensure minimum depletion of natural resources - Solar collector**

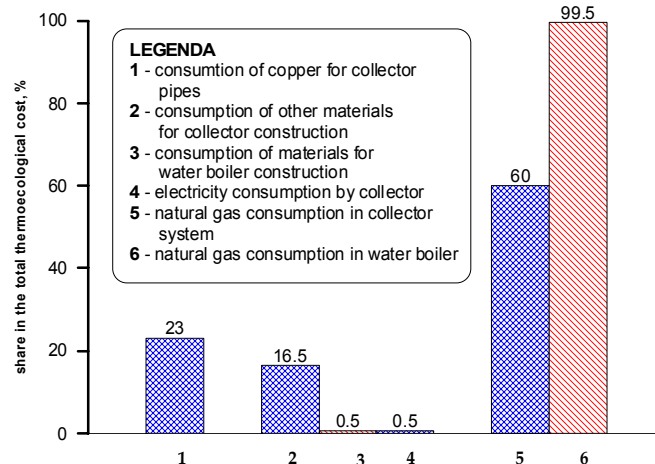
**Thermo-Ecological Life Cycle Assessment**



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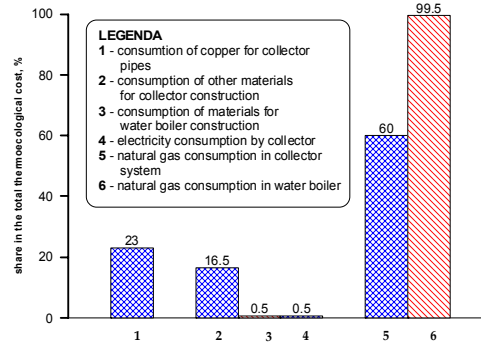
**Thermo-Ecological Life Cycle Assessment**

*share of particular components of thermoecological cost within the life cycle of solar collector and water boiler*



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### Thermo-Ecological Life Cycle Assessment



*in case of instalations utilising renewable energy resourcs the whole life-cycle should be taken into account when TH-cost is calculated because of significant influence of constrction phase*

*in case of instalations fed with fossil fuels the dominant share of TH-cost is connected with fuel consumption (in analysed boiler 99%)*

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### *Proecological Tax*

Detailed description:

Jan Szargut: *Exergy method. Technical and Ecological Applications*, WIT Press 2005

Calculation example:

Szargut J., Stanek W., ECOS'2006

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Institute of Thermal Technology, Silesian University of Technology  
Efficiency, Cost, Optimization, Simulation and Environmental Impact of Energy Systems,  
Crete 12-14 July 2006

**ECOS  
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***Thermo-Ecological Cost Analysis  
Theory and Applications***

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**THANK YOU FOR YOUR ATTENTION**