



# Climate Change Advisory Council Secretariat

## CB WG Workshop

13<sup>th</sup> September 2023

## Agenda

Time	Agenda Item
13:30	1. Building Blocks for scenarios for CB3 and CB4
14:15	2. Scenario development for 2 <sup>nd</sup> Carbon Budget Programme
15:30	3. Competing Land Use Requirements
16:00	4. Timeline for Modelling/Analysis Iteration 1
16:20	5. Next Steps
16:30	Workshop Finish

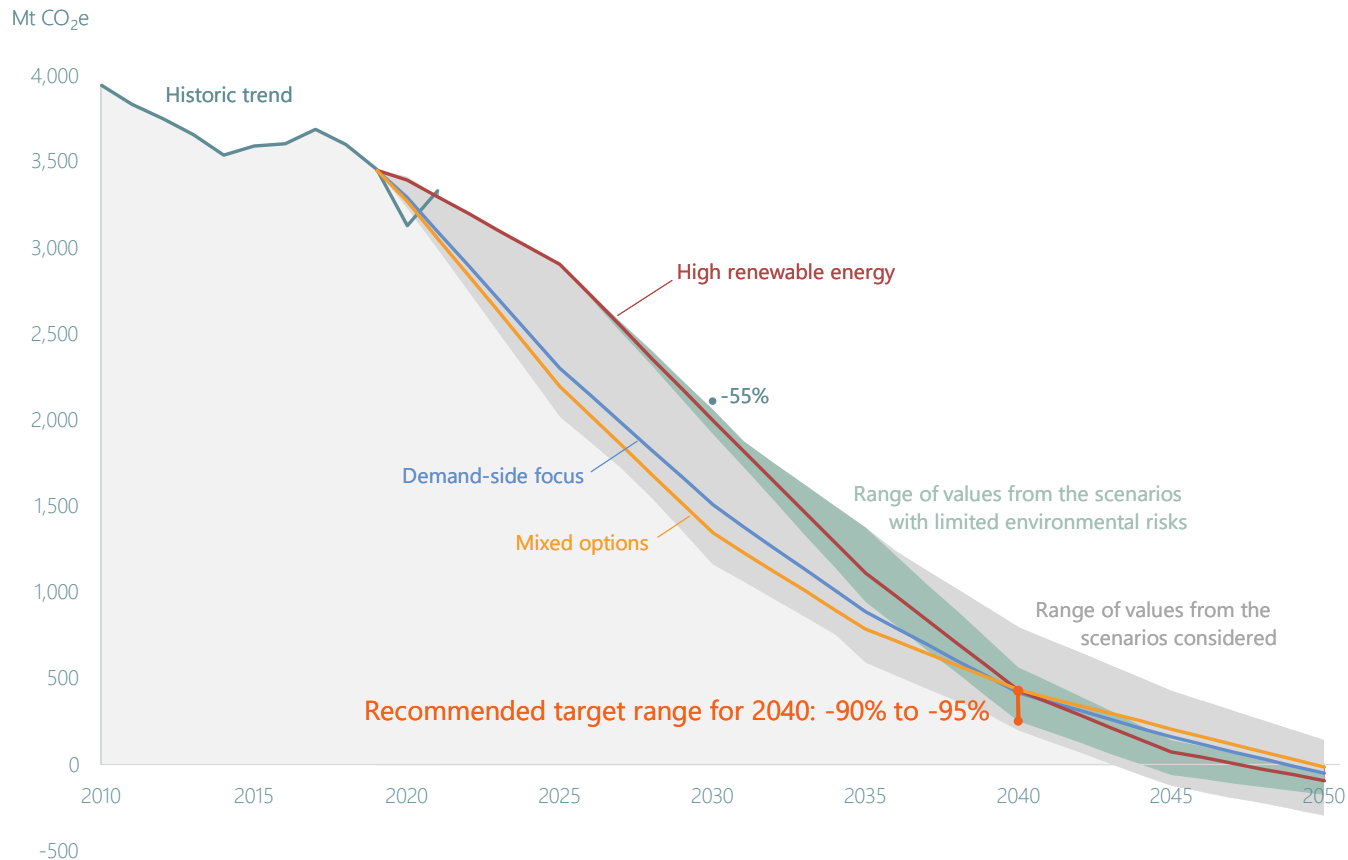


# 1. Building Blocks for scenarios for CB3 and CB4

Building blocks for scenarios for CB3 and CB4			
Start point in 2030	(1) staying within carbon budgets 1 and 2	(2) overperformance against carbon budgets 1 and 2 and	(3) underperformance against carbon budgets 1 and 2
Target for 2050		(1) based on an emissions trajectory consistent with specific temperature outcomes	(2) based on an emissions trajectory towards net zero greenhouse gas emissions in 2050.

- 2030 starting points: staying within carbon budget 1 and 2, underperformance (EPA WAM), overperformance (sensitivity)
- Targets for 2050: based on an emissions trajectory consistent with specific temperature outcomes and based on an emissions trajectory towards net zero GHG emissions in 2050

# 1. Building Blocks for scenarios for CB3 and CB4



ESAB recommends keeping the EU's GHG emissions budget for the period 2030 to 2050 within a limit of 11-14 Gt CO<sub>2</sub>e, in line with limiting global warming to 1.5 °C (with no or only limited and temporary exceedance of that temperature). To achieve this, the EU must strive for net emissions reductions of 90-95% by 2040, relative to 1990 levels.

# 1. Building Blocks for scenarios for CB3 and CB4

## 2030 starting points:

1. Staying within carbon budget 1 and 2
  - Achievement of Sectoral Emissions Ceilings
  - Treatment of unallocated emissions savings for CB2 (2026-2030): (a) assigned to the energy sector and (b) assigned on a pro rata basis based on emissions
2. Underperformance on the basis of the 2023 EPA WAM projections
3. 5% overperformance as a sensitivity analysis

## Targets for 2050:

1. Based on an emissions trajectory consistent with specific temperature outcomes
  2. Based on an emissions trajectory towards net zero GHG emissions in 2050
- Can't be determined at the outset. The aim of the initial modelling is to provide a baseline

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## 2. Scenario development for 2nd Carbon Budget Programme



- Shared understandings to inform scenario development by UCC (TIMES), SEAI (NEMF), Teagasc (FAPRI) and NUIG (GOBLIN)
  - the proposed set of scenarios to be developed, taking into account the building blocks outlined under agenda item 1
  - an outline of input assumptions that will have to be made, noting the potential for commonality or discrepancies with other models
  - an example set of model outputs for the purpose of demonstrating the kinds of outputs that the models will produce

## 2. Scenario development for 2nd Carbon Budget Programme



Approximately 80 minutes available for presentation and discussion:

- 10 minute presentations from UCC (TIMES), SEAI (NEMF), Teagasc (FAPRI) and NUIG (GOBLIN)
- Followed by 10 minutes of Q&A each for UCC (TIMES), SEAI (NEMF), Teagasc (FAPRI) and NUIG (GOBLIN)



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### 3. Competing Land Use Requirements

- Land use and model representations of biodiversity constraints
- Afforestation, Biomethane, Nitrogen demand (water quality/air quality)

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## 4. Timeline for Modelling/Analysis Iteration 1

Item	Description	2023										2024											
		Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
1	<b>Modelling / Analysis Iteration 1</b>																						
1.1	Agree inputs, parameters and assumptions																						
1.2	Core pathways development and modelling																						
1.3	Paris Test Assessment																						
1.4	Additional modelling and testing of results																						
1.5	Post-hoc analysis																						

- Scenario results from UCC (TIMES), SEAI (NEMF), Teagasc (FAPRI) and NUIG (GOBLIN) to be circulated on 8<sup>th</sup> December for presentation and discussion at the CB WG meeting on 15<sup>th</sup> December
- Paris Test Assessment to be conducted during December – January and presented at the January CB WG meeting (*TBC - Thursday 18<sup>th</sup> January 2024, 13:30 – 16:30*)
- Macroeconomic / economic analysis also to be presented at the January CB WG meeting (TBC)
- Additional modelling and testing of results to follow

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## 5. Next Steps



- Secretariat to prepare an outcome report for the upcoming CCAC meeting on the 28th of September
- Modelling/Analysis Iteration 1 commences following CB WG meeting No. 7 19th Oct.



OLLSCOIL NA GAILLIMHÉ  
UNIVERSITY OF GALWAY



UNIVERSITY OF  
**LIMERICK**  
OLLSCOIL LUIMNIGH



# *GOBLIN Scenarios for carbon budgets towards 2050*



**David Styles, Colm Duffy, Daniel Henn**



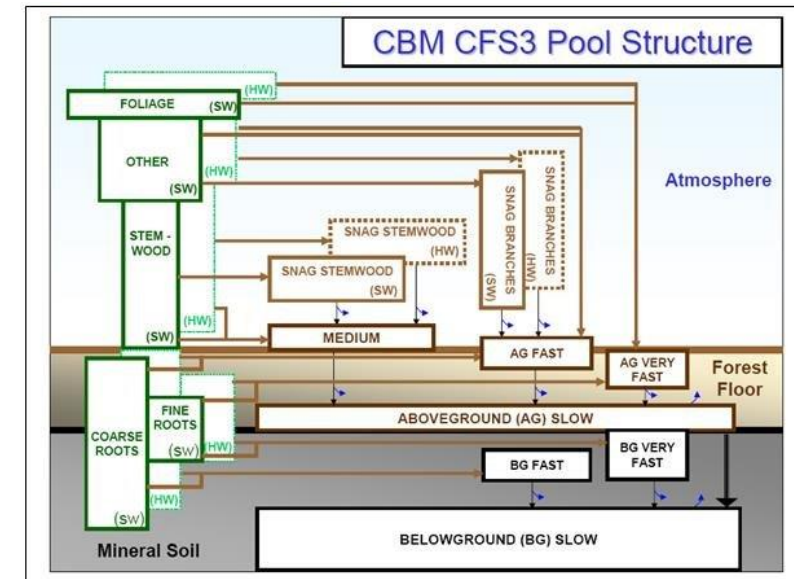
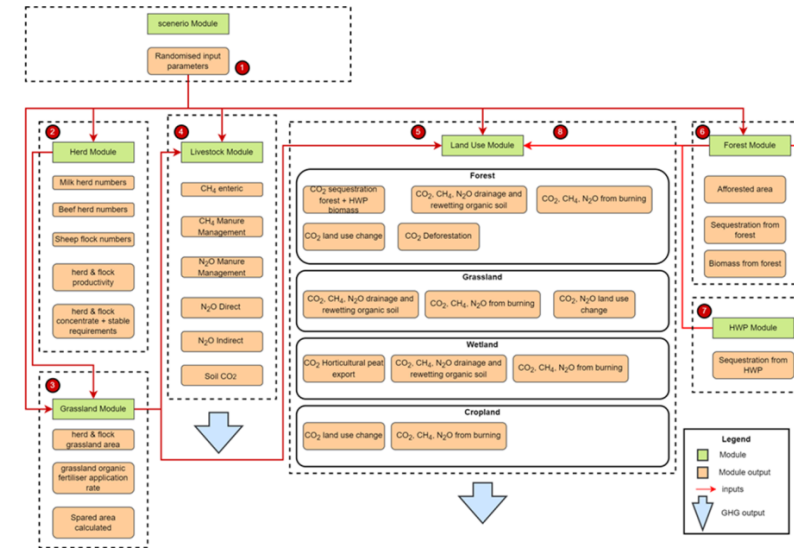
An Roinn Comhshaoil,  
Aeráide agus Cumarsáide  
Department of the Environment,  
Climate and Communications





# Modelling Approach

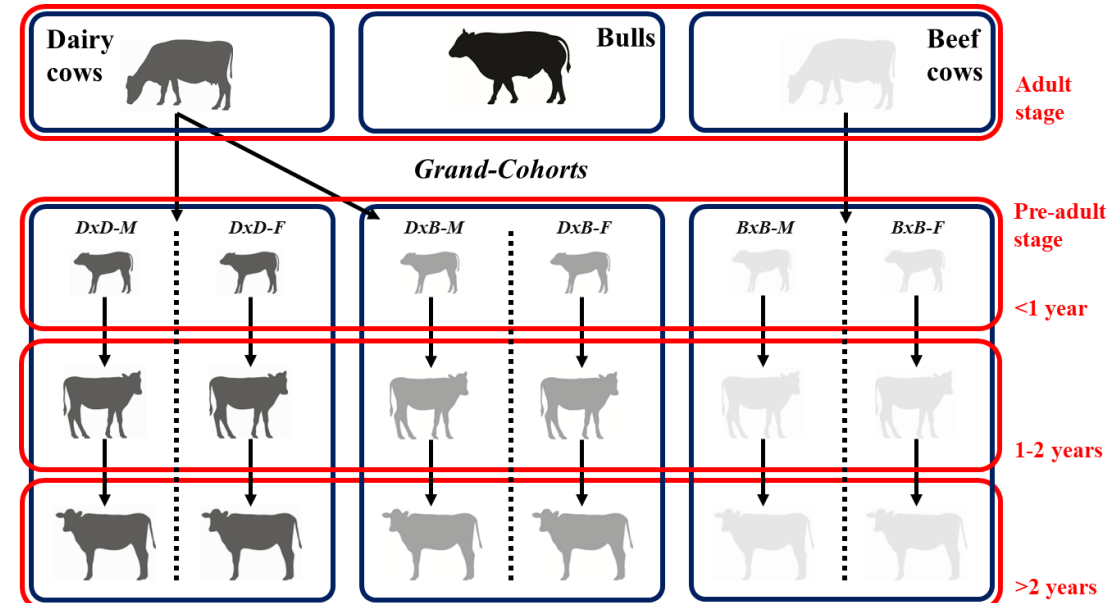
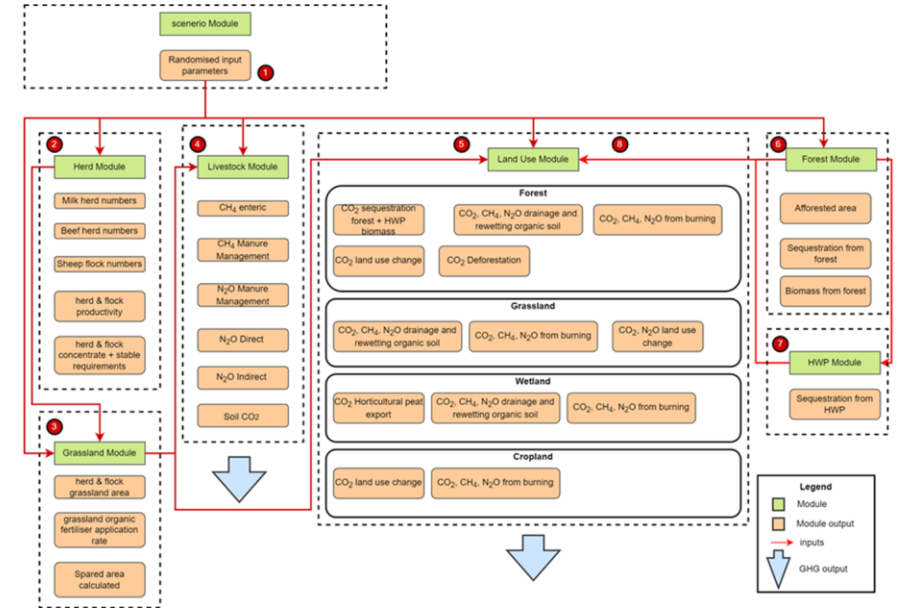
- Sequential model runs & aggregation
- GOBLIN: agricultural activities, outputs, emissions and land use (change) to 2050, aligned with NIR
- CBM-CFS3 Forest model: updated forest GHG balance and productivity out to 2050 (existing & new forest), aligned with NIR
  - Includes basic representation of HWP (C storage)
- LCAD EcoScreen model: Anaerobic digestion expanded boundary LCA
  - Process emissions
  - Avoided emissions (manure management, fossil energy, fertiliser)
  - Outputs: digestate, energy





# Step 1: Agriculture

- Dairy & beef cow numbers
  - Current
  - MACC high & low
  - Dairy specialisation – constant protein
  - 30% reduction dairy & beef
- Production
  - MACC 2030 milk output & LWG
  - + 20% animal productivity
- Grass utilisation
  - Increase beef from circa 55% to 65%
- Crop production
  - Hold area constant





# Step 2: Land use change

- Spared land areas assigned to:

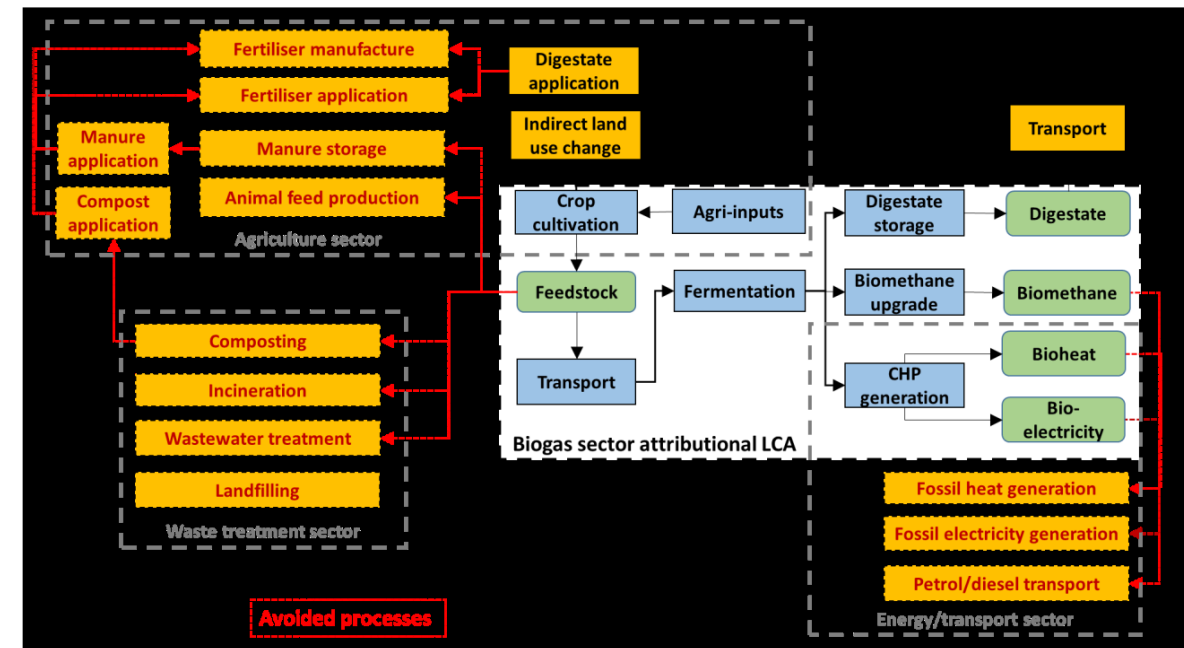
Scenario	Rewetting	AD	Forestry
1	90% of spared organic soils minus new forest area	c.200kha (mineral soils)	BAU mix, inc. 25% on organic-organo-mineral (160 kha 2030-2050, 8 kha per year planting)
2	90% of spared organic soils	0	70:30 conifer:broadleaf mix on mineral soils (c.200 kha)
3	90% of spared organic soils	c.200kha (mineral soils)	BAU mix, inc. 25% on organic-organo-mineral (residual spared area)
4	90% of spared organic soils	c.200kha (mineral soils)	70:30 conifer:broadleaf mix on mineral soils (residual spared area)
5...?			

NB: Residual area permutations depending on Step 1 combinations



# Step 3: AD configuration

- Main permutations:
  - Varying %s food waste and manures
  - Biomethane for transport, CHP or heat
  - Digestate used locally or upgraded to pellet fertiliser (NH<sub>3</sub> emission consequences!)
  - Progressive deployment of CCS for CHP/heat? 2040 onwards? Apply equally to HWP bioenergy
  - Or flow biomethane straight to TIM-Ireland?



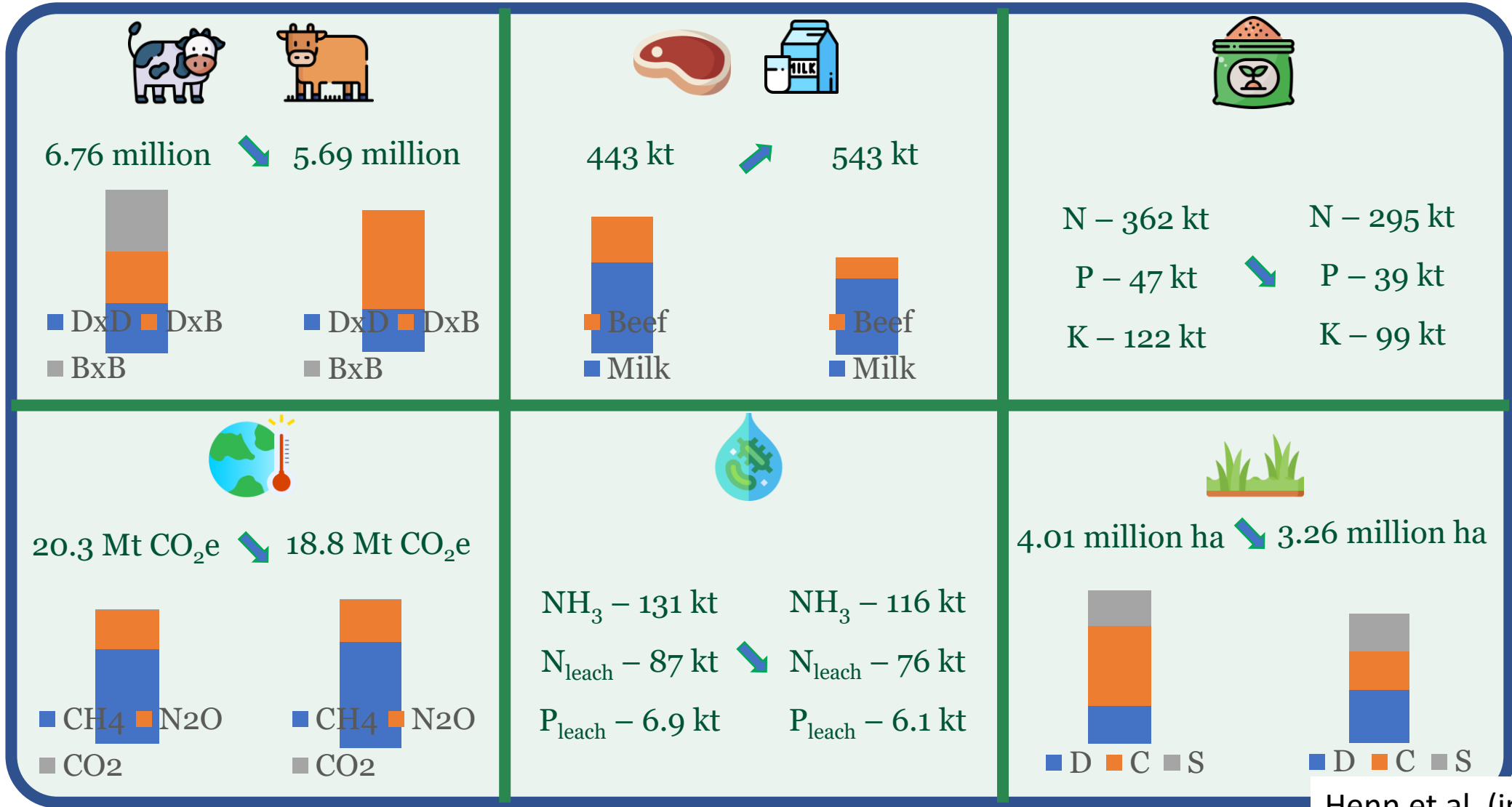


# Step 4: Data aggregation

- csv files
- Production
  - kg milk, beef, lamb (intermediate animal numbers, fertiliser application, areas...)
  - MJ LHV biomethane (or kWh electricity/heat or vkm)
  - m<sup>3</sup> wood harvest (by primary HWP product breakout)
- Emissions
  - GHGs split gas, 2050 with interpolated time series (except forestry)
  - GWP<sub>100</sub> & warming equivalents?
  - NH<sub>3</sub>, N & P losses to water
  - See spreadsheet...



# Outputs: climate, water & air quality



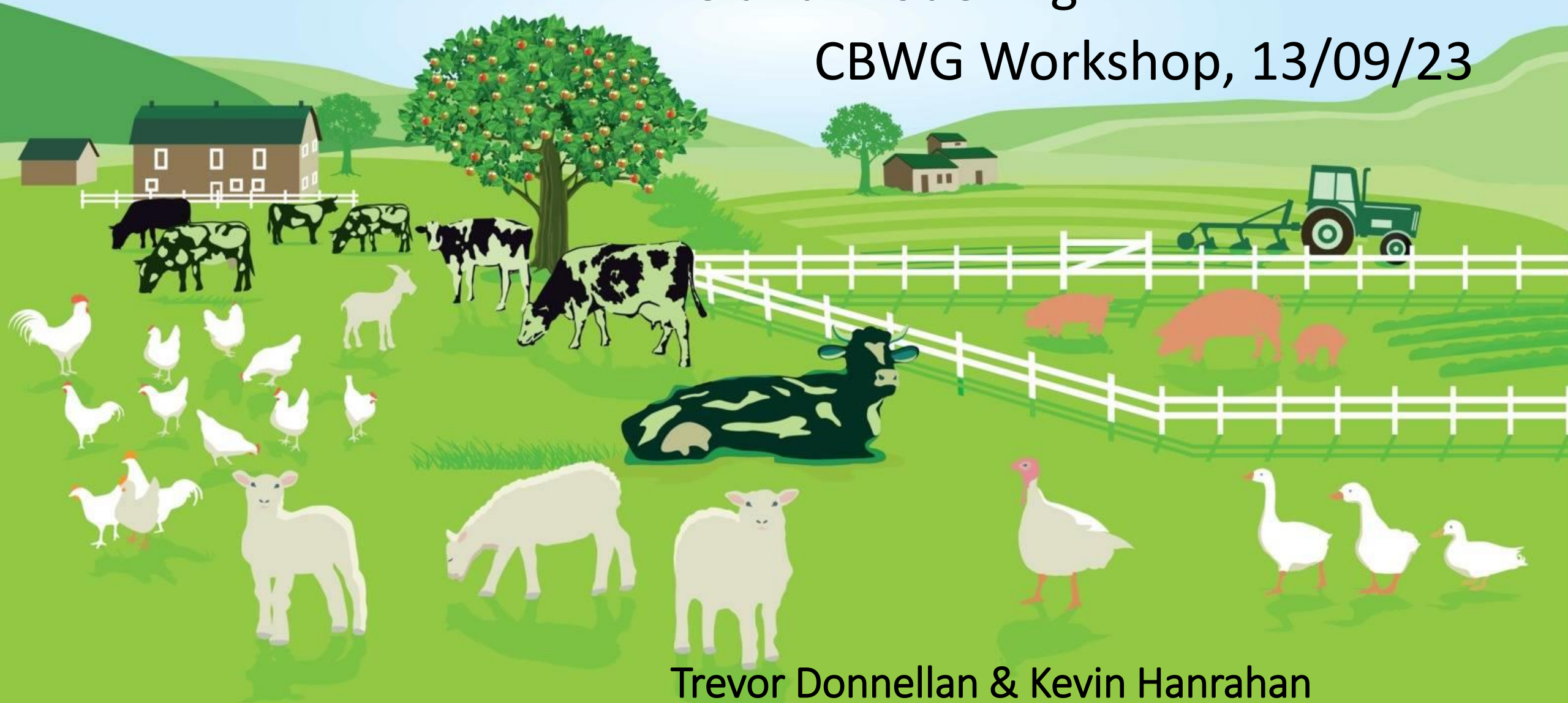


**AGRICULTURE AND FOOD DEVELOPMENT AUTHORITY**

The Irish Agriculture and Food Development Authority

# Scenario Development for 2<sup>nd</sup> Carbon Budget Programme FAPRI-Ireland Modelling

CBWG Workshop, 13/09/23



Trevor Donnellan & Kevin Hanrahan  
Agricultural Economics and Farm Surveys Department Teagasc



# Overview of methodology

- **FAPRI-Ireland model is a Dynamic PE** model of the Irish agricultural economy
- **Global dimension:** International S & D critical for understanding medium term evolution of Irish agri-food economy
  - Domestic (i.e. Irish) consumers are relatively unimportant
- Irish Model linked to the **FAPRI EU & FAPRI global agricultural market modelling** systems
- Uses **exogenous macroeconomic** projections from **domestic** and **international sources** as well as exogenous data on **ag and trade policies**
- Simulates commodity **market supply and use balances** and associated agricultural **activity levels and land use activities** to a medium term horizon

# Model scope and complexity

## Economic Modelling Outputs

- Ag sector and **Sub-sectors** modelling
  - a) agricultural activity
  - b) related commodity supply and use
  - c) input demands
- **Market prices** for outputs and inputs
- Developments at sub-sectoral level
  - linked via competition for land, feed use, consumer demand and biology (e.g. milk and beef)
- Modelling trade is obviously critical in terms of Irish agriculture

## Environmental Modelling and Output

- EPA Agriculture inventory
  - currently built on 75 agricultural activity levels and associated EF
  - $GHG = \sum_i GHG_i = Ag\ Activity_i * EF_i$
- Model provides economically meaningful projections for most of these activity levels
- Model development has followed EPA GHG inventory developments
  - One of the reasons why high detail is vital

# FAPRI-Ireland Synergies & complementarities with other models

- **TIM Model**

- FAPRI Model has previously soft linked with the Irish TIMES model

- **EPA**

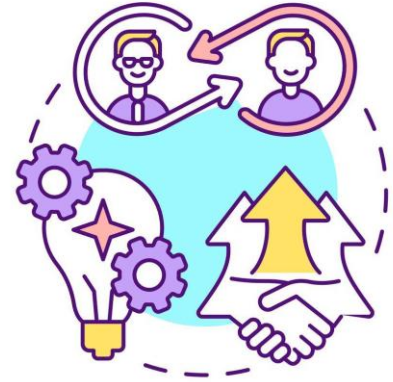
- FAPRI Model output used by the EPA for their GHG inventory projections

- **ESRI MACRO models**

- Previously provided projections of ag output & Ag GVA evolution to HERMES model
- Currently obtain medium term macro projections from COSMO
- Model could be used to calibrate output shocks evaluated with CGE models such as the ESRI I3E model

- **Goblin (Land Use)**

- Scenarios about land use change and assumption about e.g. levels of afforestation.
- In our current modelling work we make assumption about land use change out of agriculture and into forestry



# Output - EXAMPLES

## Output: Agricultural Activity Level Projections

A	AI	AJ	AK	AL	AM	AN	AO	AP	AQ	AR
from Bernard August 2022	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
<b>Total Cattle</b>	7,010.1	7,056.6	7,057.5	6,995.8	6,930.6	6,867.7	6,830.1	6,785.1	6,746.3	6,734.1
<b>Dairy Cows</b>	1,616.6	1,608.6	1,608.9	1,623.7	1,643.4	1,662.9	1,679.3	1,691.8	1,701.0	1,705.6
<b>All Other Cattle</b>	5,393.5	5,448.0	5,448.6	5,372.0	5,287.2	5,204.8	5,150.8	5,093.3	5,045.3	5,028.5
<b>Other Cows</b>	847.8	802.6	764.4	735.1	709.0	682.9	657.7	632.0	605.0	577.9
<b>Dairy Heifers</b>	304.9	305.1	308.3	312.7	316.9	320.5	323.3	325.3	326.3	325.4
<b>Other Heifers</b>	130.6	124.3	119.6	116.9	114.4	111.5	108.2	104.7	101.1	97.3
<b>Cattle &lt; 1 yrs</b>	2,087.4	2,143.6	2,165.7	2,141.4	2,111.1	2,082.3	2,069.0	2,054.2	2,045.7	2,052.8
<b>Cattle &lt; 1 yrs - male</b>	1,038.4	1,062.8	1,072.7	1,062.7	1,050.1	1,039.1	1,032.4	1,027.9	1,021.4	1,021.0
<b>Cattle &lt; 1 yrs - female</b>	1,049.0	1,080.9	1,093.0	1,078.7	1,060.9	1,043.2	1,036.6	1,026.3	1,024.3	1,031.8
<b>Cattle 1 - 2 yrs</b>	1,409.4	1,446.8	1,461.5	1,445.4	1,425.3	1,406.4	1,397.4	1,387.9	1,383.1	1,391.1
<b>Cattle 1 - 2 yrs - male</b>	781.7	800.0	807.4	799.9	790.4	782.2	777.1	773.7	770.1	773.7
<b>Cattle 1 - 2 yrs - female</b>	627.7	646.8	654.1	645.5	634.9	624.3	620.3	614.2	612.9	617.4
<b>Cattle &gt; 2 yrs</b>	566.2	580.9	586.7	580.4	572.6	565.3	561.7	558.2	556.1	559.6
<b>Cattle &gt; 2 yrs - male</b>	366.0	374.5	378.0	374.5	370.1	366.2	363.8	362.2	360.6	362.6
<b>Cattle &gt; 2 yrs - female</b>	200.2	206.3	208.7	205.9	202.5	199.1	197.9	195.9	195.5	197.0
<b>Bulls</b>	47.2	44.8	42.3	40.1	38.0	35.8	33.5	31.1	28.1	24.5
<b>Total Sheep</b>	5,090.7	4,881.6	4,833.8	4,837.5	4,835.3	4,812.2	4,761.0	4,656.3	4,770.0	4,780.0
<b>Ewes Lowland</b>	1,909.2	1,828.0	1,718.6	1,713.9	1,753.2	1,797.9	1,833.1	1,851.2	1,833.4	1,961.3

S1\_Base\_Revised\_2023

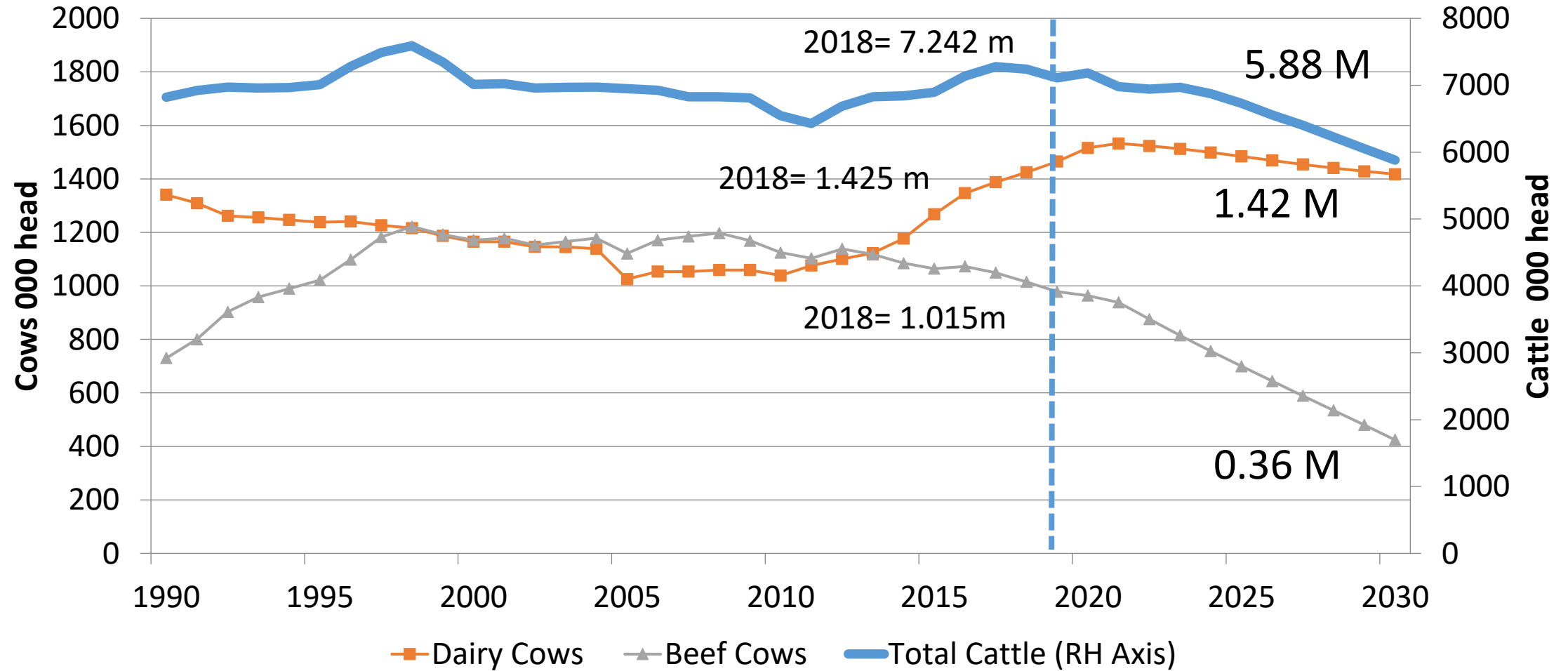
S2\_Low\_Revised\_2023

S3\_High\_Revised\_2023

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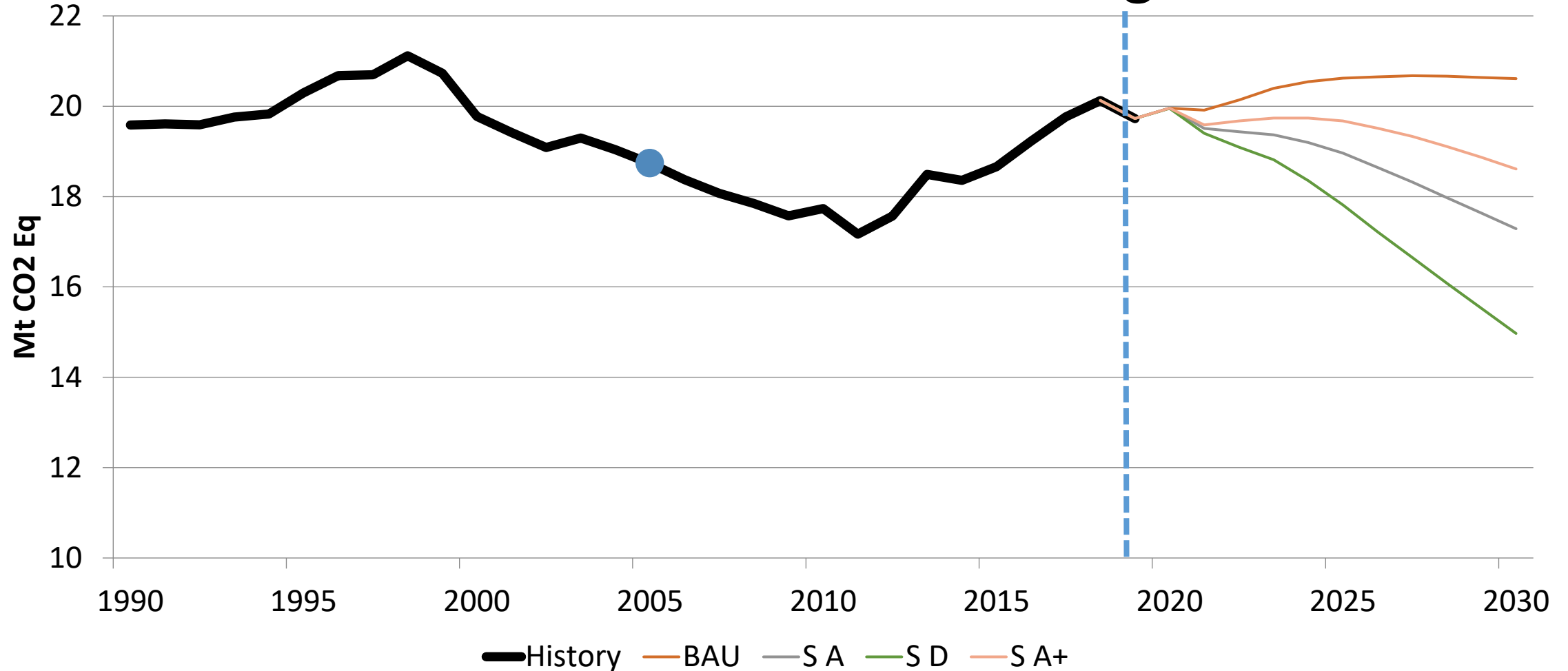
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# Scenario D (-25% GHG with measures).



# Summary: GHG emissions

NB: All Scenarios other than BAU include mitigation actions



# Challenges extending to/towards 2050

- Developing coherent global macroeconomic and international commodity price projections
  - Energy and Agricultural price paths are related
  - How will these relationships change in the future ?
- Agricultural policy developing coherent agricultural policy assumptions for long term
- How to reflect impact of new emissions mitigation technologies and practice changes (known unknown) within model projections

# Carbon budget scenario development with TIMES-Ireland Model

*Scenario development for 2<sup>nd</sup> Carbon Budget Programme workshop*  
Climate Change Advisory Council – Carbon Budgets Committee

Hannah Daly, UCC  
13<sup>th</sup> September, 2023



# Reflections on the use of TIM for informing Carbon Budgets

## What questions can TIM inform?

- ❖ What energy system changes would be needed to meet given decarbonisation targets (carbon budget or annual target)
- ❖ Trade-off across options; identifying blind-spots
- ❖ What is the total & marginal cost of different abatement levels for energy, how is this distributed across sectors?
- ❖ What is the “effort gap” between current measures and what is needed, sector-by-sector?
- ❖ What is the impact of excluding mitigation options, technology breakthroughs, different demands?

## What can TIM not (directly) inform?

- ❖ Who pays? What (detailed) policies can deliver the change? What are the distributional impacts?
- ❖ What is societally/politically feasible?
- ❖ What is an appropriate/fair/just response to Paris Agreement
- ❖ What are the interactions and trade-offs between energy, land-use and food systems for mitigation?

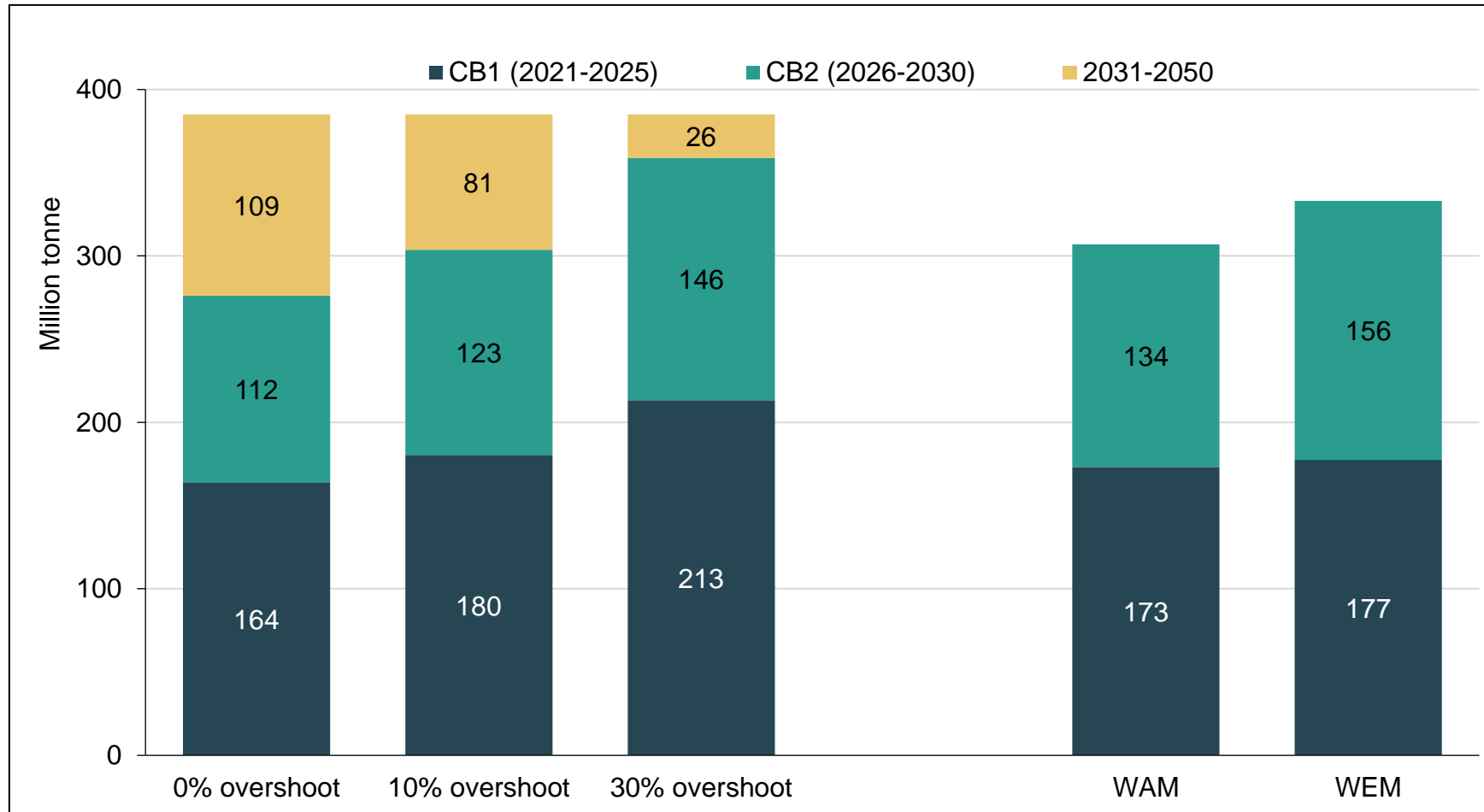
## Additional considerations

- ❖ We can provide and run the tool – but the “recipe” (constraints, assumptions, etc.) need wider discussion – non-trivial
- ❖ Expertise and more detailed sectoral models needed for deep dives on different sectors and topics
- ❖ Long-term model maintenance, updating and development requires stable funding base, long planning horizon, and the ability to attract and retain top modellers.

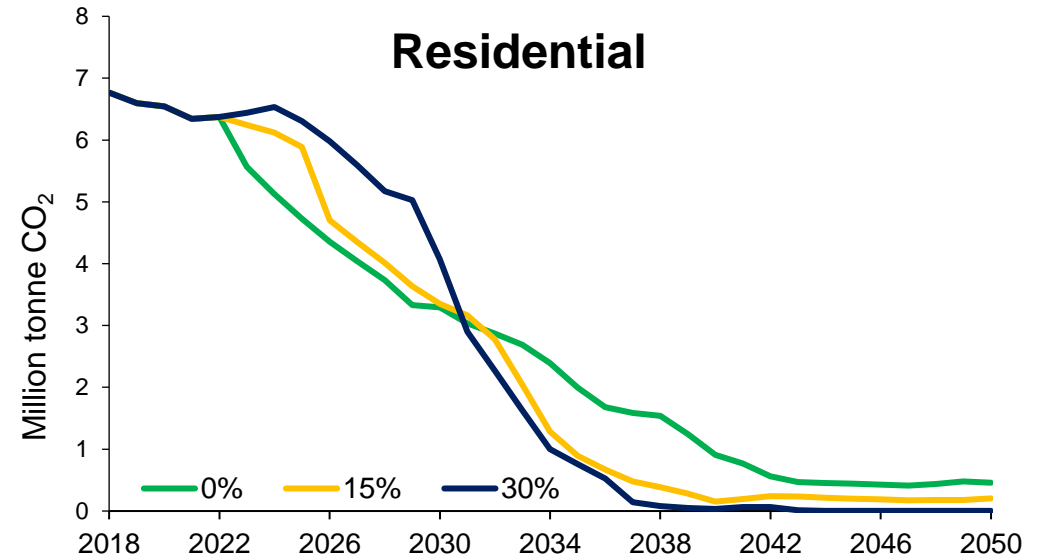
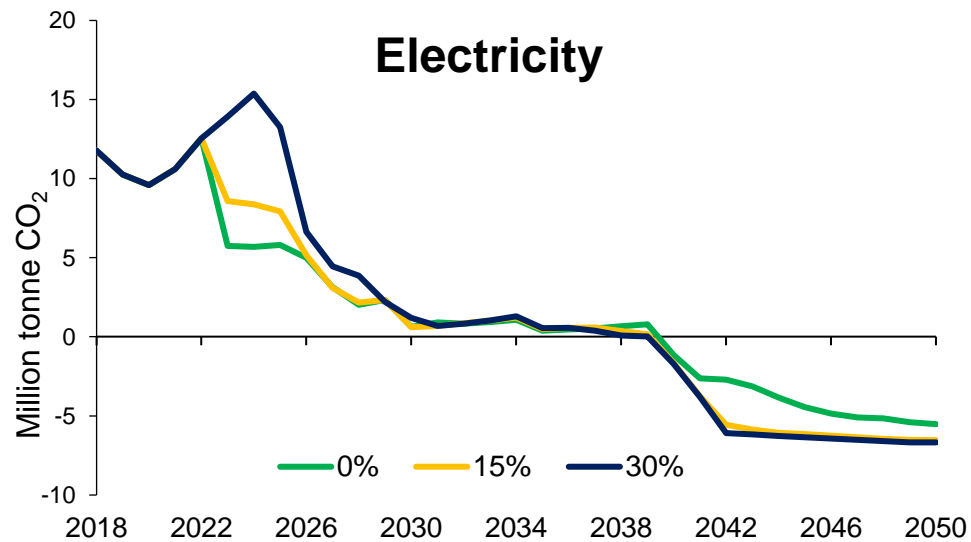
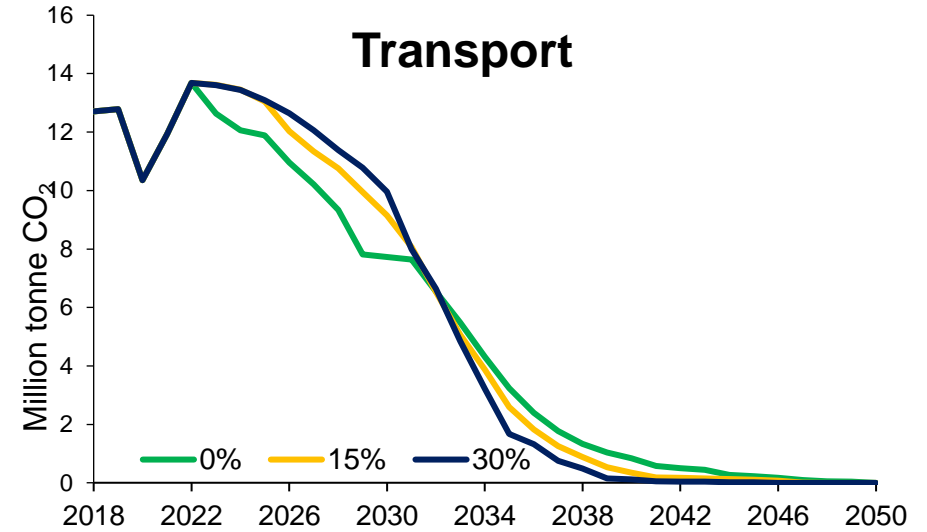
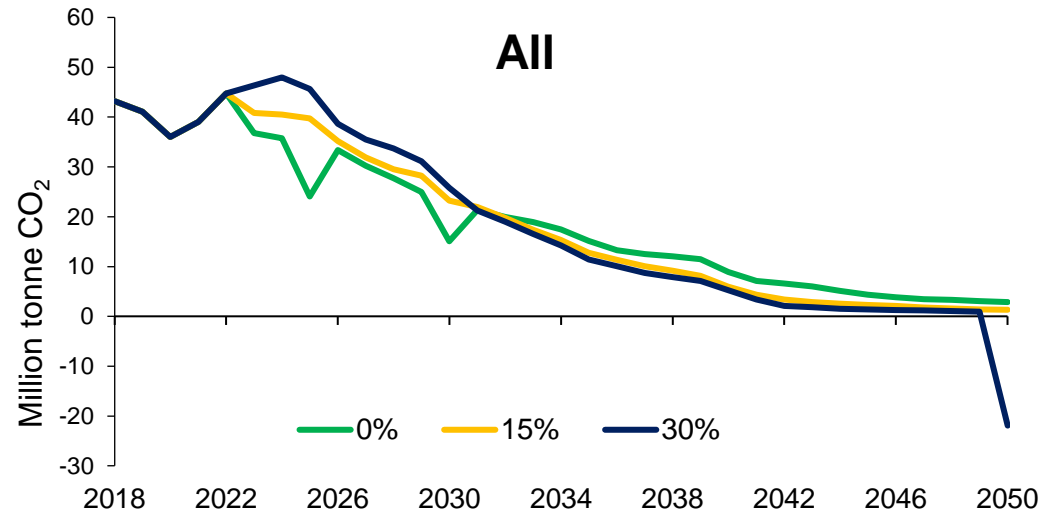
# Proposed scenario dimensions

- Energy system carbon budget:
  - Currently working with 344 MtCO<sub>2</sub> (2021-2050) – to be informed by Council
    - Reference: SECs for these sectors: 269Mt (2021-30).
    - inclusive of all fossil fuels and industrial process emissions
    - excluding intl. aviation & shipping
  - Overshoot of CB1 & CB2
    - Scenarios assuming WEM & WAM level of CB overshoot which must be brought forward
- Other dimensions
  - Technology cost
  - Social discount rate – considering revising downwards
  - Level of future energy demand (BAU; LED)
    - full alignment with new population/GDP projections unlikely to be
  - Level of domestic bioenergy
  - Availability of Negative Emissions Technologies (NETs – BECCS, DACS)

# In-progress analysis: Overshoot scenarios



# In-progress analysis: Overshoot scenarios



# Model development

- Team status:
  - Funding in place from DECC through Climate Action Modelling Group
  - Dr. Vahid Aryanpur as senior postdoctoral researcher in place
  - Appointed Bakytzhan Suleimenov as senior model coordinator
  - Several PhDs and other researchers working with TIM on parallel projects
- Model priorities:
  - Calibrate 2021 & 2022 energy balances
  - Improve range of mitigation options for industry, aviation & shipping
  - Reflecting bioenergy availability & land use consequences
  - More resolution on energy system at close-to-zero carbon (hydrogen, storage, DAC)
- Available to produce scenarios to support other analyses

# Sample outputs

- E.g., <https://epmg.netlify.app/tim-carbon-budgets-2022>

# SEAI NEMF Carbon Budgets Modelling Input CBWG Modelling Workshop

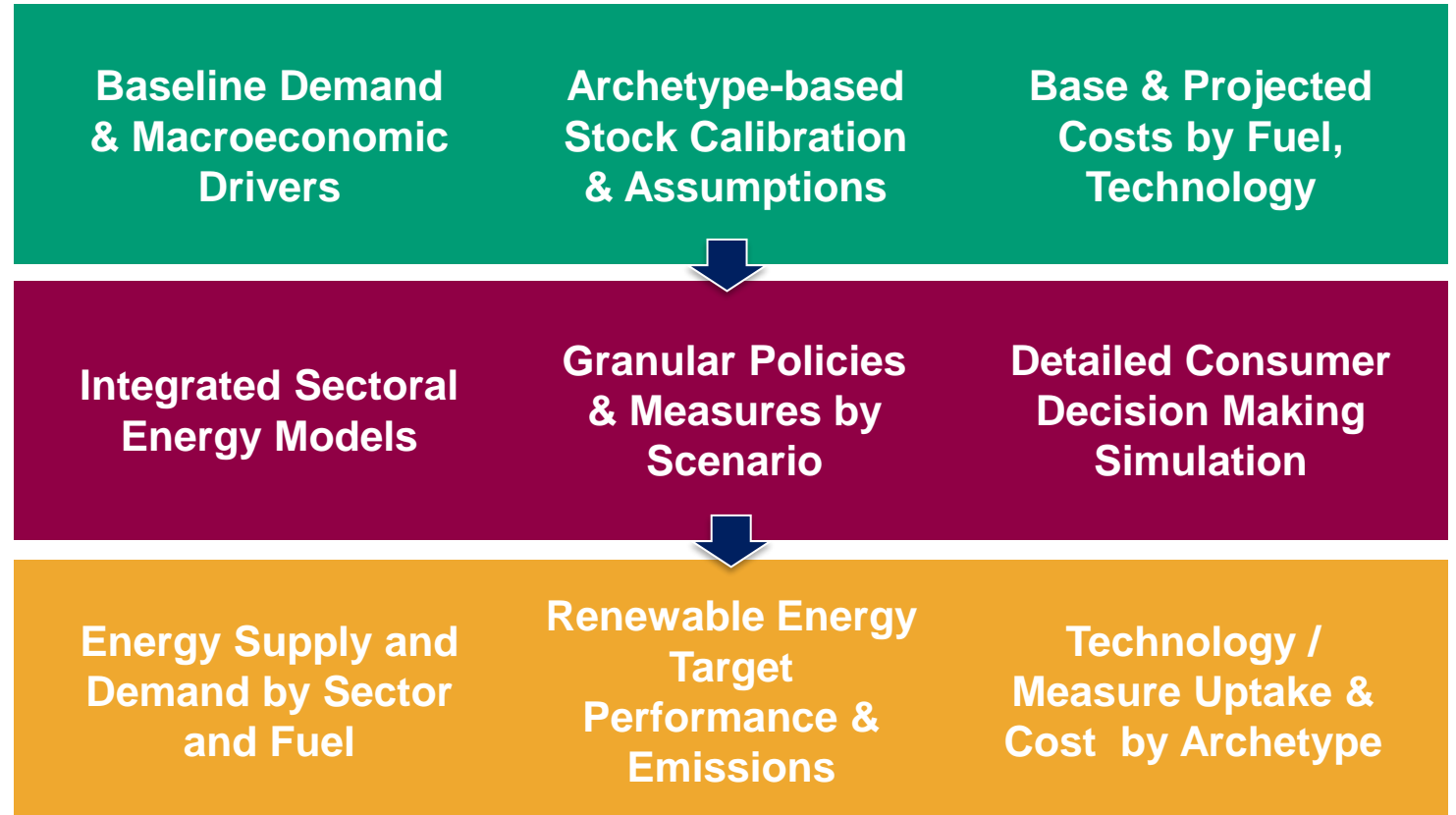


September 2023

# SEAI National Energy Modelling Framework Overview

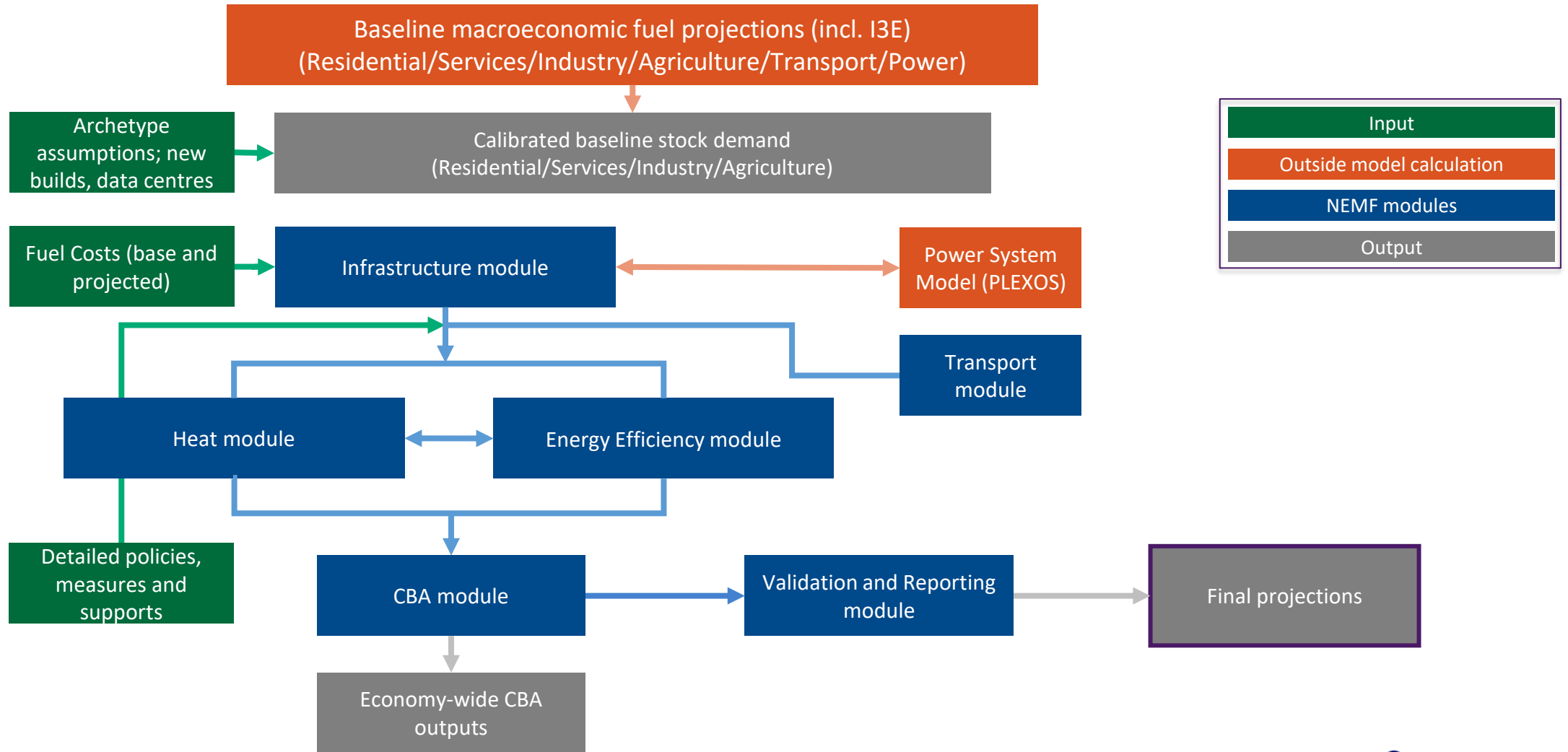
The National Energy Modelling Framework (NEMF):

- Combines **sectoral energy models** with baseline demand incorporating **macroeconomic inputs**
- Simulated **consumer decision-making** and measures uptake under **alternative scenarios**
- Assesses **combined impact of granular policies and measures** on energy supply, demand and energy-related emissions





# SEAI NEMF Modular Structure and Inputs



# NEMF Key Questions and Sensitivities

- For given **set of policies and measures**, what is the **range of potential impact** on future energy supply and demand out to 2050?
- For set of scenarios each with **specified focus in longer-term strategy**, to what extent and how quickly does the energy economy **approach targets**?
- How can **changes to consumer considerations** like cost impact on uptake of schemes and what additional supports can **bridge the gap**?
- What are some of the **critical milestones** for consumer uptake and technology deployment that have the **biggest impact** on reaching targets?



- More **detailed policy assumptions** yield better outputs (implementation plans and credible risks)
- Detailed estimated **implementation trajectories post 2030** allow for more robust modelling
- **Account for potential changes** in demand, perception and costs for informative range of scenario outputs
- Additional measures and emergency levers to provide **plan for risk mitigation**

# NEMF Scenario Building – Starting Point

- 2030 Underperformance: The **WAM scenario** is a projection of future energy supply and use based on the measures outlined in the latest Government plans at the time the National Energy Projections are compiled.
  - This includes all policies and measures included in the WEM scenario, **plus** those included in the latest Government plans but not yet fully implemented.
  - **WAM-CAP23** used in EPA WAM scenario, broadly assume targets set out in CAP 23 will be met
  - Adjusted WAM or WEM to capture risk of delays in implementation
- 2030 Carbon Budget Compliance: Key levers to close the gap to the underperformance scenario
  - Adapt input assumptions behind WAM trajectory to reach carbon budgets
  - Iterative process optimal here, using levers from optimisation approach
- 2030 Overperformance (Sensitivity): Further leveraging of input assumptions from carbon budget compliance scenario
  - Significant stretching of existing input assumptions likely to yield unreasonable NEMF outputs

# NEMF Scenario Building - Targets

- NEMF primarily used in simulation mode with designed scenarios, so solving for a target is not the main function of the model
- However, model can take inputs for scenarios designed to reach particular targets (e.g. National Heat Study) and sense-check the outcome
- Adjust input assumptions to align with least-cost optimisation model scenarios solving for set of outcomes
  - 2050 Emissions Trajectories: Temperature outcomes in European Climate Law
  - 2050 Emissions Trajectories: Net Zero GHG emissions in 2050 in climate-neutral EU 2050 long-term strategy
  - EU 2040 Climate Target (ESAB): EU emission reductions of 90–95% by 2040, relative to 1990

# NEMF Input Assumptions

- Policies and Measures
  - Detailed representation of support schemes for energy targets (grants, loans, tariffs, etc.) influencing uptake decisions
  - Packages of policies and measures can be varied by scenario for multiple scenario runs
- Targets where Centralised Decision-making needed
  - Climate action plan targets for District Heating, Biomethane, Renewable power generation installed capacities
- Technology
  - Suitability, efficiency, availability and resource constraints
  - Speed of deployment as informed by planning, market activity, research on future deployment
- Costs
  - Technology and associated installation
  - Fuel costs, import/export for power generation
  - Retail fuel costs, construction, hidden costs for building upgrades and technology switching
- Baseline Demand
  - Energy demand and potential growth given macroeconomic growth (pop, GDP), wholesale fuel, ETS prices, carbon tax
  - National Energy Projections take into account ESRI I3E macro projections

Full set of key input assumptions published as part of EPA's emissions projections

# NEMF Model Features

## Commonalities with Other Energy Models

- Produces projections of primary and final energy across sectors
- Power module approach unit commitment and economic dispatch integrated with other sectors
- Horizon out to 2050
- Accounts for macroeconomic drivers in baseline

## Ideal Use for Carbon Budgets

- Alignment of input assumptions with TIM scenario that complies with target and assess outcome
- Adjustment of key levers through input assumptions from base case such as WAM

## Distinct Elements of NEMF

- Energy-focused, not covering agriculture and land use beyond energy consumption and resource assumptions
- Consumer Uptake Modelling used in built environment
  - Granularity in technology and building upgrades
- Basis of EPA emissions projections for energy
- Energy Policy focus
  - Detailed policy inputs including support schemes and regulations to assess against targets

# NEMF Model Outputs

Main Outputs: [Energy Data](#) | [SEAI Statistics](#) | [SEAI](#)

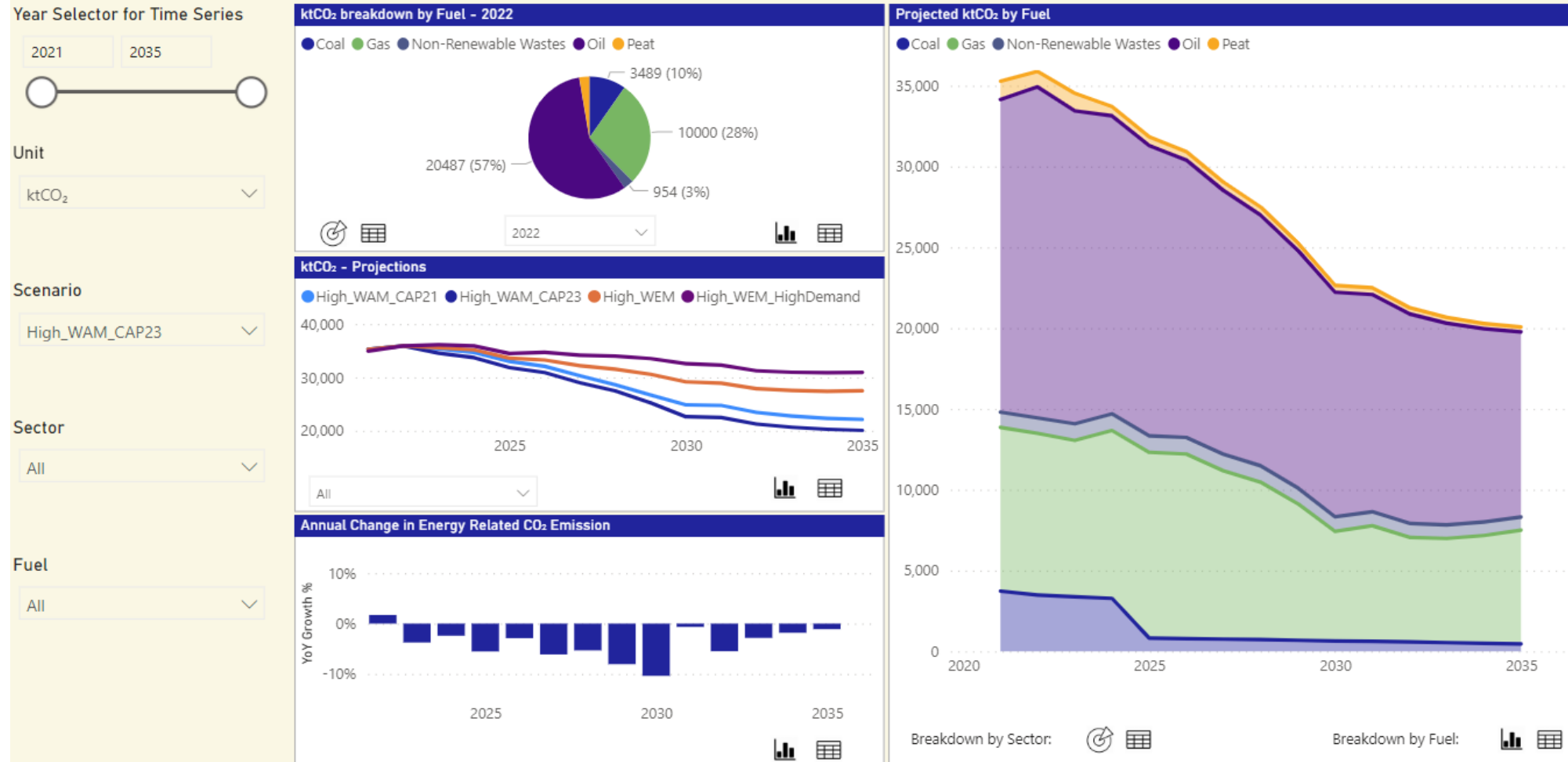
- Primary Energy Demand by fuel and fuel use in electricity generation
- Total Final Energy Consumption by sector and by fuel (in line with Energy Balance and EPA Inventory / Projections)
- Renewable Energy Share by Source
- CO<sub>2</sub> energy-related emissions by sector and by fuel

## Additional Outputs

- Uptake curves for technology adoption
- Alternative renewable deployment trajectories by scenarios
- Cumulative and annual assess

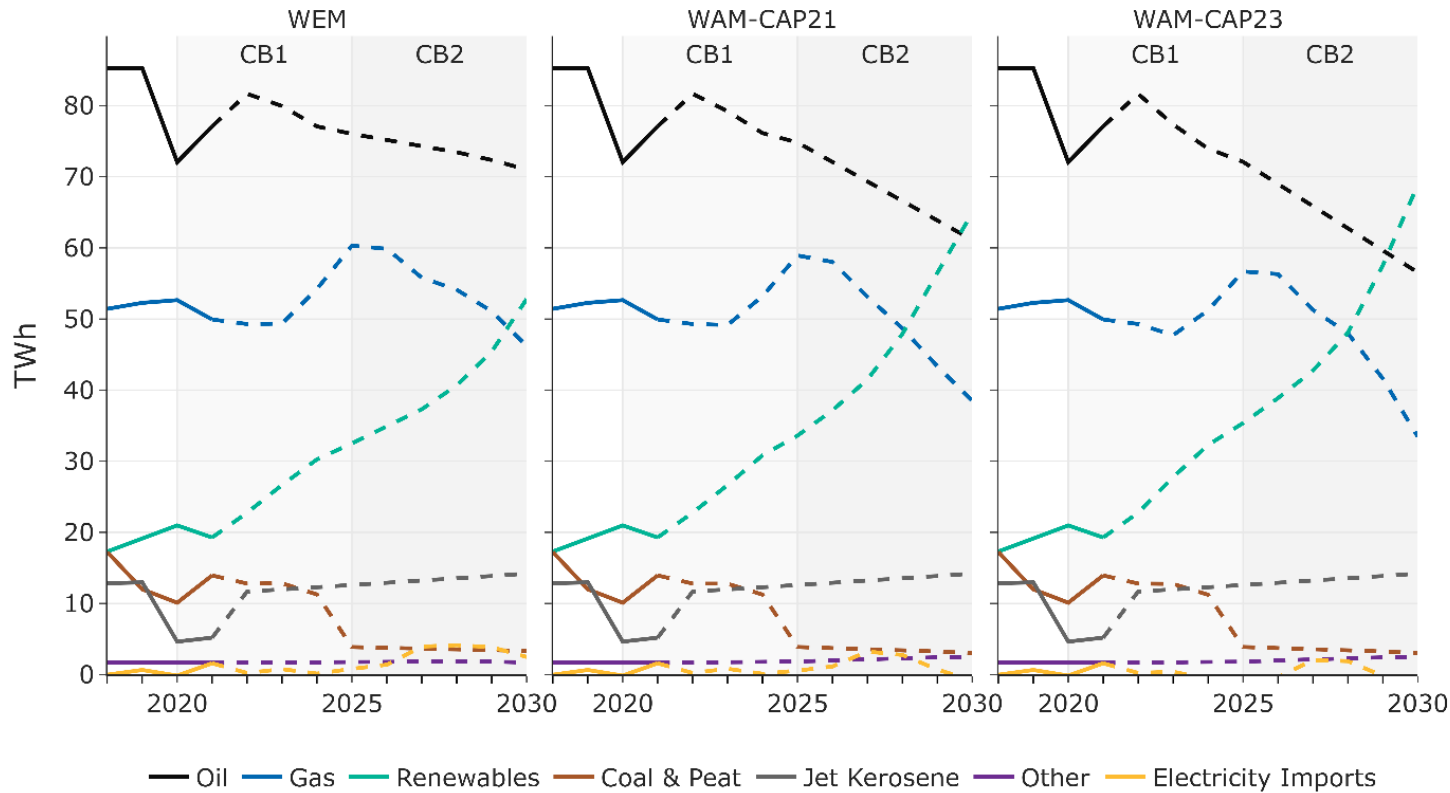
# NEMF Model Outputs - Examples

## CO<sub>2</sub> from Energy Use in Ireland Projections





# NEMF Model Outputs - Examples

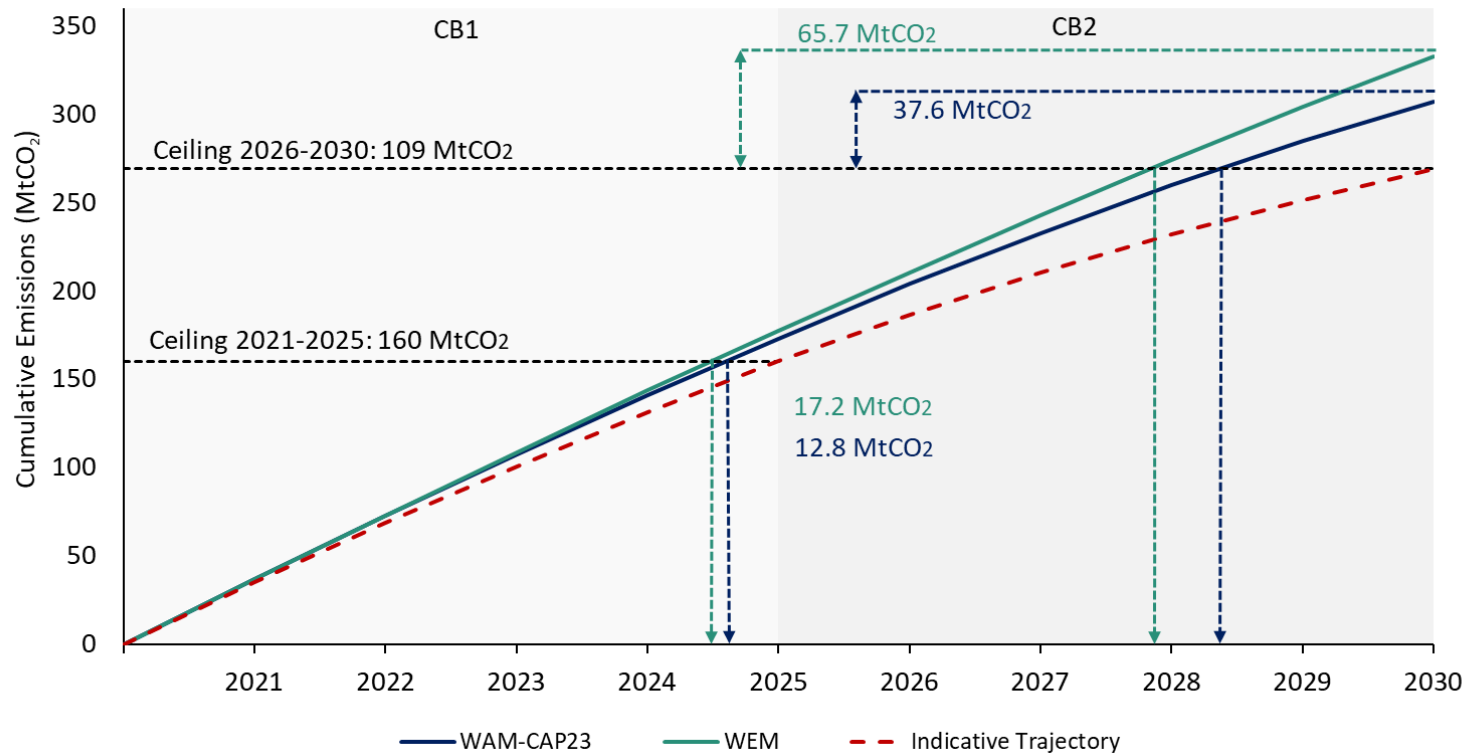


## Total Energy Use by Scenario

- Also available out to 2050
- Available by sector
- Can show detail underlying Renewables figures on installed capacity deployment rates

# NEMF Model Outputs - Examples

Cumulative greenhouse gas emissions from energy sectors and industrial processes



Cumulative Emissions Outputs for sets of scenarios assessed against carbon budgets

- Also available out to 2050 with assessment against prospective CB3 and CB4
- Also available by sector to assess on sectoral ceiling basis

