#### Asia-Pacific Forum on Low-Carbon Technology 2018

## **Co-Control of Air Pollutants and GHGs: Review, methodology and case studies**

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#### Low Carbon Vs Low Sulphur, Low Nitrogen, Low PM

#### Low carbon

- Low carbon cities
- Low carbon economy
- Low carbon cities
- CCS (carbon capture and storage) in China Resources, Tianjin Demo Project
  - Air pollution increasing
- PV Panel production in Baoding a low carbon demo city supported by Yingli Corp.
  - Low carbon and clean in the process of using
  - Energy intensive production process with air pollution emissions

#### Low Carbon Vs Low Sulphur, Low Nitrogen, Low PM

#### Low air pollutants

- FGD (flue-gas desulfurization)
- SCR (selective catalytic removal)
  - Coal-fired power plants
  - Vehicles
- Electrical Vehicles (EVs)
  - Lower air pollutants: Yes and No
  - Lower carbon emissions: No and Yes

## Outline



#### **Review of co-benefit development**

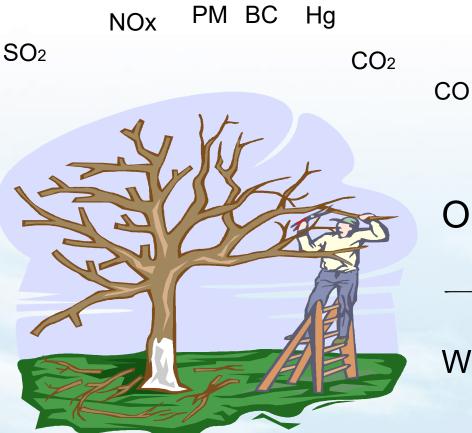
- Stage 1 Ancillary/Secondary Benefits Period (After 1997 when Kyoto Protocol singed)
  - Awareness of Air pollution reductions, as ancillary benefits or secondary benefits of GHGs reduction
    - China and US reluctant
  - But
    - Two-way impacts, rather one-way

#### **Review of co-benefit development**

#### Stage 2 Co-benefits Period (IPCC 3)

- Realization of two way impact—local pollution and GHGs are mutually linked to each other and efforts are made to measure co-benefits
  - Both China and US accept this concept
  - US EPA-SEPA-Tsinghua IES cooperation
- But,
  - Counter-benefits
  - Maximization of co-benefits

#### Is Co-control of air pollutants and GHGs possible?

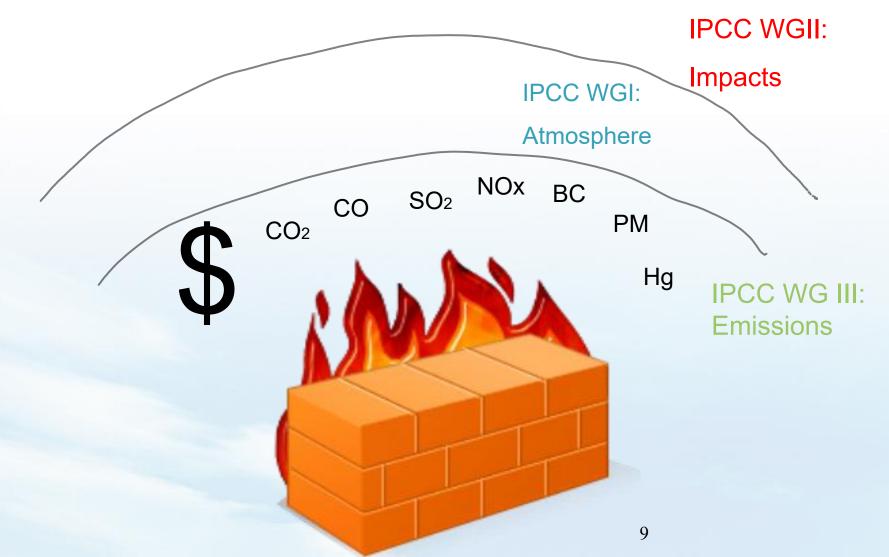


One stone kills two birds!

一石二鸟、一举两得

Western Vs Oriental medicines

## Theoretical question: what are the relationships among emissions?



#### **Review of co-benefit development**

#### Co-control

- Recognition of co-benefits is not enough. Co-benefits should be maximized by selected and designed cocontrol measures
- Control measure and policies for low carbon and low sulfur, low nitrogen, low PM2.5 should be combined together, to be lowed down together to gain cobenefits

#### **Review of co-benefit development**

- Stage 3 Co-control Period (since 2006)
  - Co-control measures and policies (programs/projects) are designed and proposed in order to maximize cobenefits
    - 11th FYP set SO<sub>2</sub> and CO<sub>2</sub> targets together
    - 12<sup>th</sup> FYP add NOx
    - 13<sup>th</sup> FYP ambient air quality index (AQI) standards and new pollutants
      - Pm2.5
      - VOC
      - Ground Ozone
    - 14<sup>th</sup> FYP?

## What is Co-control?

- The control measure/policy that could maximize co-benefits
- Why China?
  - OECD:
    - Lower air pollutants and high carbon emissions
  - LDCs
    - Low air pollutants and low carbon emissions
  - China
    - Very high air pollution and higher and higher carbon emissions
    - Clause II, Air Pollution Prevention and Protection Law (New Air Act)
    - No guidelines to enforce the Clause II of New Air Act!

#### 2. Methodology of co-control

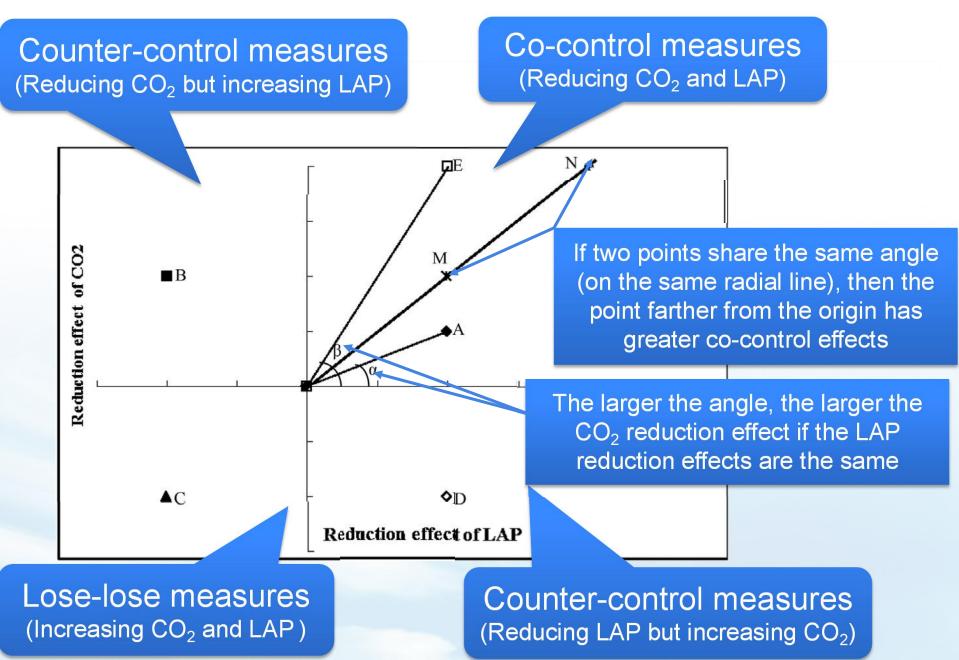
Physical co-control – 2 effects

- Co-control measures effects coordinate system
  Cross-elastic analysis of pollutant emission reductions
  Pollutant Equivalence (Peq)
- 4. Unit cost of pollutant reduction (UCPR)

Economic co-control effects

- 5. Abatement cost curve
  - 6. Cost-benefit analysis
  - 7. Macro Energy-Economy-Environment (3E) Models
  - 8. Micro LCA (Life-Cycle-Assessment)

#### Co-control measures effects coordinate system



#### **Cross-elastic analysis of pollutant emission reductions**

$$\begin{split} \mathbf{E} ls_{s/c} &= \frac{\Delta s/S}{\Delta c/C}, \quad \mathbf{E} ls_{c/s} = \frac{\Delta c/C}{\Delta s/S} \\ \mathbf{E} ls_{n/c} &= \frac{\Delta n/N}{\Delta c/C}, \quad \mathbf{E} ls_{c/n} = \frac{\Delta c/C}{\Delta n/N} \\ \mathbf{E} ls_{n/s} &= \frac{\Delta n/N}{\Delta s/S} \quad , \quad \mathbf{E} ls_{s/n} = \frac{\Delta s/S}{\Delta n/N} \end{split}$$

 从交叉弹性的正负号判断某措施是否具有协同性(分子分母均为负值, 即均增排时,属"不具协同性")

■ 对两项或两项以上措施,可以进行"协同程度"的排序:

- 对于"减碳措施",可考察"ELSs/c"
- 对于"减污措施",可考察"ELSc/s"

#### □ Unit cost of pollutant reduction (UCPR)

UCPR (in Yuan/kg pollutant) measures the cost (in Yuan) needed to reduce one mass unit (kilogram, kg) of a specific pollutant.

$$UCPR_{i,k} = \frac{C_i}{Q_{i,k}}$$

where the C<sub>i</sub> is the annual cost of technology i,

 $Q_{i,k}$  is the reduction effect of technology i for pollutant k.

The annualized reduction costs = investment cost + operational cost - energy saving benefit

$$C_i = ACC_i + OM_i - B_i$$

#### □ Pollutant Equivalence (P<sub>eq</sub>)

We evaluated the co-control effectiveness of multi-pollutant reduction by formulating the Peq indicator to combine all of the pollutants (i.e., SO<sub>2</sub>, NOx, PM<sub>2.5</sub>, and CO<sub>2</sub>) into one "integrated" pollutant.

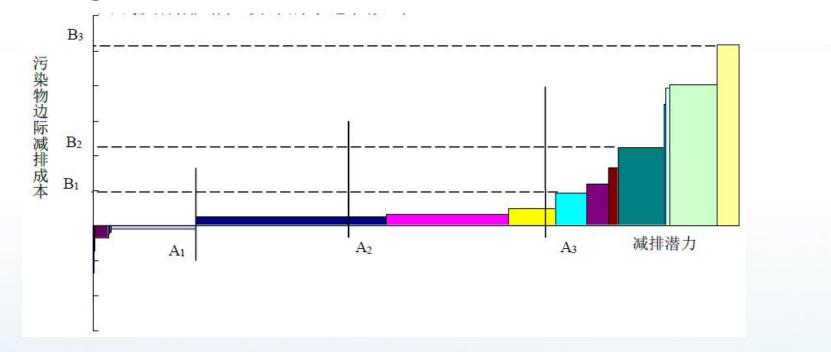
 $P_{eq} = \propto SO_2 + \beta NOx + \gamma PM_{2.5} + \delta CO_2 + \cdots$ 

where  $\alpha + \beta + \gamma + \delta + \ldots = 1$ .

The relative weight factors  $\alpha$ ,  $\beta$ ,  $\gamma$ , and  $\delta$  are intended to reveal the relative importance of the pollutants in terms of the real externalities of the different pollutants, including **price**, environmental standards, eco-environment and health hazards.

三类 取值方法:价格(税、费、交易价格)、标准(排放标准)、测 算的单位污染物的生态环境及健康损害值.

#### □ Marginal Abatement Cost Curve (MAC)



Using the abatement potential as the abscissa and the UCPR value as the ordinate, a marginal abatement cost (MAC) curve is created.

This curve shows that an incremental application of a technology or measure results in incremental pollutant reductions and consequently incremental costs. In pollution control planning, the planner can choose the appropriate route according to the targeted total abatement quantity or total abatement cost constraint.

#### **Cost-benefit analysis**

Cost-benefit analysis (CBA) in the current study examines the environmentaleconomic feasibility of the co-control plan implementation.

First, the environmental impact should be identified and later quantified via an emission-reduction calculation, air quality simulation modelling and the environmental health dose-reaction relationship.

The costs and benefits of the co-control plan are then monetized. The benefit analysis includes the global benefits of  $CO_2$  mitigation and the human health benefits of air quality improvement.

Finally, all costs and benefits are converted to present value and aggregated, and the environmental-economic feasibility of the plan can be assessed with the indicators of net present value (NPV) and internal rate return (IRR).

#### **DLCA (Life-Cycle-Assessment)**

life cycle assessment, LCA. Compilation and evaluation of the inputs, outputs and the potential environmental impacts of a product system throughout its life cycle.

There are four phases in an LCA study:

- a) the goal and scope definition phase,
- b) the inventory analysis phase,
- c) the impact assessment phase, and
- d) the interpretation phase.

LCA can assist in

— identifying opportunities to improve the environmental performance of products at various points in their life cycle,

— informing decision-makers in industry, government or non-government organizations,

— the selection of relevant indicators of environmental performance, including measurement techniques, and

— marketing

**Source: ISO 14040:2006** Environmental management -- Life cycle assessment -- Principles and framework

## **5. Discussion**

## Co-Control dimension

- measure
- Policy
- Institution

# Thanks!