## The Swiss TIMES Electricity Model (STEM-E)

# Updates to the model input data and assumptions (Model Release 2)

28 November 2012

### Ramachandran Kannan, Hal Turton

Energy Economics Group Laboratory for Energy Systems Analysis Paul Scherrer Institut 5232 Villigen PSI Switzerland Tel. +41 56 310 2864 Fax +41 56 310 4411 www.psi.ch

#### **Table of Contents**

1.	Introduction1								
2.	Model development 1								
3.	Electricity demands1								
4.	Electricity generation technologies 3								
4.	1. Exis	ting power plants	. 3						
	4.1.1.	Nuclear technology	. 4						
	4.1.2.	Pumped hydro storage	. 5						
	4.1.3.	Wind turbines	. 5						
	4.1.4.	CHPs	. 5						
4.	2. New	and future technologies	. 6						
	4.2.1.	Nuclear	. 7						
5.	Energy	resources	7						
	5.1.1.	Hydro	. 9						
6.	Electricity interconnectors 10								
7.	Taxes and subsidies11								
8.	Corrections 12								
9.	References 13								

## List of Figures

Figure 1: End use electricity demand assumption in STEM-E	. 2
Figure 2: Historical capacity factors of the Swiss nuclear plants	. 4
Figure 3: Availability factor for wind turbine	. 6
Figure 4: Historical generation of hydro power plants	10
Figure 5: Historical electricity supply and demand balance	11

## List of Tables

Table 1: Review summar	of Swiss electricity	demand prognosis	
		aomana prognobio	•••••••••••••••••••••••••••••••••••••••

Table 2: Indicative cost of electricity supply in 2050	7
Table 3: Review summary of renewable energy resource potentials in 2050	8
Table 4: Updated renewable energy resource potentials in STEM-E	9
Table 5: Assumptions on capacity (GW) of international interconnectors	1
Table 6: CO2 tax for the electricity sector	2
Table 7: Corrections to the model documentation [15] 1	3

## List of Appendixes

	ndix I: STEM-E database file
--	------------------------------

#### 1. Introduction

The Swiss TIMES electricity model (STEM-E) is an analytical tool developed by the Paul Scherrer Institute. The development of STEM-E and its input data and assumptions are reported in the model documentation [15]. STEM-E has previously been used to quantify and analyze a number of electricity supply scenarios [17][16][31]<sup>1</sup>. Importantly, the development of STEM-E is ongoing, and recently the model has been updated in terms of demands, technology characteristics, resource potentials, trade interconnectors and electricity taxes. In this document the updated assumptions and input data are reported.

The assumptions reported here have been used for the analysis in PSI's *Energie Spiegel* Nr. 21 [23][18].

#### 2. Model development

The overall model framework and structure are same as in the model documentation (§2 in [15]). The discount rate is updated to 2.5%, to reflect the rate assumed in the 2050 Swiss Energy Strategy published by the Swiss Federal Office of Energy (SFOE) [7].

#### 3. Electricity demands

The future electricity demand, for which electricity supply is optimized by STEM-E, is an exogenous input to the model. There are large uncertainties in development of future Swiss electricity demand, as illustrated in Table 1, which summarizes demand projections from various studies [4][3][5][11][12][19][25][26][27][29][30][31].

In the latest update, the electricity demands from the three Swiss Energy Strategy (SES) scenarios [7]<sup>2</sup> viz. WWB, POM and NEP (Figure 1) have been applied. The electricity demand in the year 2050 is assumed to remain constant beyond 2050<sup>3</sup>. The future electricity load curve (demand profile) is still assumed to be the same as

<sup>&</sup>lt;sup>1</sup> For the analysis in [31], slightly a different set of renewable resource assumptions is used.

<sup>&</sup>lt;sup>2</sup> In the context of the Swiss federal government's public consultation [6] on the 2050 Swiss Energy Strategy, the Swiss Federal Office of Energy (SFOE) published in September 2012 three energy and electricity demand scenarios, namely: Weiter Wie Bisher (*WWB*) (i.e. Business as usual); Politische Massnahmen (*POM*) (i.e., Policy Measures) and Neue Energiepolitik (*NEP*) (i.e. New Energy Policy) [7]. Earlier versions of two energy scenarios—*WWB* and *NEP*— were published by the SFOE in May 2011 [5].

<sup>&</sup>lt;sup>3</sup> Even though long-term (i.e., beyond 2050) demand pathways are highly uncertain, including a representation of this long-term electricity demand enables STEM-E to consider more consistently investment options in long-lived electricity supply technologies.

today's load curve (see Figure 2 in [15]). It is worth noting that the SES scenarios assume a large penetration of electric vehicles and heat pumps. The impact of these new demands on the specific shape of the electricity demand curve is not considered. The impact of demand reductions through efficiency measures on the shape of the load curve is also not considered.



Figure 1: End use electricity demand assumption in STEM-E

In the SES scenarios, the basic energy demand drivers (i.e. population, economic growth, housing stock, floor area, and transport demand) are the same across all the three scenarios. However, both the *POM* and *NEP* scenarios incorporate a broad package of energy efficiency measures to reduce energy and electricity demands [10]. STEM-E optimises only the electricity supply side for a given set of electricity demands, and does not model demand reductions through efficiency measures or behaviour change. Accordingly, STEM-E is unable to provide insights regarding the cost or feasibility of realizing a certain level of demand reductions.

Source		2020	2025	2030	2035	2040	2045	2050	
Source	In <i>PJ</i>								
BFE, 2007: EP-2035 (Hi) <sup>+</sup> [4]	229	239	248	255	260				
BFE, 2007: EP-2030 (Low) + [4]	212	206	198	193	186				
BFE, 2011: SES2050-WWB [5]	226	238	245	252	259	267	276	285	
BFE, 2011: SES2050-NEP [5]	219	223	219	215	211	208	205	202	
BFE, 2012: SES2050-UVEK <sup>++</sup> [9]	216	232	232	232	232	227	224	224	
BFE, 2012: SES2050-WWB [7]	218	221	225	228	232	237	243	249	
BFE, 2012: SES2050-POM [7]	213	211	209	207	209	212	216	219	
BFE, 2012: SES2050-NEP [7]	213	210	206	201	198	196	194	191	
Policy goal <5% <sup>+++</sup> (wrt 2000) [3]	213	211	209	207	205	202	200	198	
PSI/Weidmann, 2012: Base [31]	217	221	247	260	268	271	269	269	
PSI/Weidmann, 2012: CP^ [31]	217	221	244	253	261	280	288	290	
PSI/Weidmann, 2012: CPN <sup>^</sup> [31]	216	215	234	239	238	233	238	236	
PSI/ETS, 2009: SMM-Base [30]		230	241	253	268	277	287	285	
PSI/ETS, 2009: SMM-CP^ [30]		232	248	262	271	284	303	306	
PSI/ETS, 2009: SMM-CP^-NoNuc [30]		226	239	249	256	254	245	243	
PSI/Marcucci, 2012: BAU <sup>~</sup> with Nuclear [19]		234	246	257	263	269	272	276	
PSI/Marcucci, 2012: CS <sup>~</sup> with Nuclear [19]		202	197	193	192	191	188	185	
PSI/Marcucci, 2012: CS <sup>~</sup> no nuclear [19]		209	206	203	204	205	226	247	
ETH, 2011: Hoch [11]	228	244	254	264	275	286	297	308	
ETH, 2011: Mittel [11]	223	234	240	246	251	256	260	264	
ETH, 2011: Niedrig [11]	218	224	223	222	221	221	221	221	
VSE, 2012: S1 Verstärkt [29]	226	237	243	250	257	263	268	272	
VSE, 2012: S2 Intensiv [29]		236	239	243	246	247	247	246	
VSE, 2012: S3 Fundamental [29]		234	233	232	231	225	214	202	
SATW,2012: Referenz [25]		223	226	228	230	235	240	245	
SATW,2012: Beeinflusste [25]		205	204	203	202	204	206	209	
ETS (2009): Ref [12]		233	242	250	259	261	264	266	
ETS (2009): ETS [12]	220	225	230	234	239	239	240	240	
Swiss Cleantech (2011) [26]	224	230	238	248	256	263	271	281	
Swiss Cleantech (2012) [27]	225	234	243	256	259	259	265	277	

#### Table 1: Review summary of Swiss electricity demand prognosis

Data in gray font are based on linear interpolation between reported data years.

<sup>+</sup> Highest and lowest demand among all the scenarios in [4]

\*\* Estimated/approximated from figure in [9]

<sup>++++</sup> Based on extrapolation of the government's target [3] to cap electricity demand at 5% above the level in 2000

^ CP and CPN refer climate policy and climate policy without new nuclear investments

~ BAU and CS refer to business as usual and climate stabilization scenarios

#### 4. Electricity generation technologies

#### 4.1. Existing power plants

In the earlier version of STEM-E, historical 'capital' investment in existing power plants was not included in the cost optimisation (since this investment has already been made). Thus the model accounted for only the fixed and variable operation and maintenance (O&M) costs and fuel cost for the existing power plants. While this approach of excluding historical investment does not affect the model solution (e.g. choice on future technology investment), it makes comparisons difficult between the generation cost in the base year base and future years. On the other hand, the

historical investment profile is difficult to determine, particularly in the case of hydroelectric plants dating back to pre-1945 (see Table 4 in [15]).

In the updated STEM-E, an 'estimated' annuity is applied for the existing nuclear and hydro plants (see Table 4 in [15] for the existing capacity of hydro and §4.1.2 for nuclear). The annuity of hydro plants is assumed based on the estimated refurbishment costs (Table 3 in [15]) with an 80-year life and a discount rate of 2.5%. For the existing nuclear plants, the annuity is estimated based on a capital cost of 3500 CHF/kW, a 50-year lifetime and 2.5% discount rate. The annuity is applied only for the remaining capacity in each period<sup>4</sup>.

#### 4.1.1. Nuclear technology

In the previous version of STEM-E, nuclear power plants (existing and future) were characterised as 'annual' base-load plants (i.e., they were assumed to operate at a constant load factor throughout the year). Historical statistics on nuclear generation indicate, however, that there are large seasonal variations in electricity output [8]: for example, the average capacity factor in summer is 68% versus over 95% in other seasons (Figure 2). Thus, nuclear power plants (both existing and future) are now characterised as a 'seasonal' base-load technology.



#### Figure 2: Historical capacity factors of the Swiss nuclear plants

<sup>&</sup>lt;sup>4</sup> Total cost of nuclear generation in 2010 from STEM-E is about CHF 1.3 billion compared to CHF 1.35 billion in [7]. However, the hydro electricity cost in 2010 is CHF 1.66 billion versus 2.7 billion in [7].

#### 4.1.2. Pumped hydro storage

In the previous version of the model (also in [31][17]), pumped hydro storage was assumed to be diurnal, meaning that electricity could be stored each day and produced the same day (p. 16 in [15]). In the updated model, inter-day storage technology is also included, such that electricity can, for example, be stored on weekends and produced on weekdays. Total cumulative electricity storage volume (defined through inputs to pumps) is limited to 7.56 TWh per year, which is equal to the electricity used for pumps in the SES scenarios [5]. However, no limit on pumped generation capacity or reservoir volume at the timeslice level is included.

The inter-daily storage mechanism enhances management of large base-load power plants, particularly on weekends. However, a methodological limitation with the implementation of inter-day storage in TIMES specifies that the stored electricity can only be released at an uniform level over the following day, rather than at selected timeslices (e.g. at peak hours)—for example, electricity stored on a Sunday must be released uniformly across weekdays.

#### 4.1.3. Wind turbines

In the previous version of STEM-E, wind turbines were characterised as a seasonal base-load plant (i.e., a constant load factor for each season). Now, a diurnal wind resource curve is implemented based on hourly wind data from Chasseral [20], which is close to one of the possible windfarm sites in Switzerland [2]<sup>5</sup>. The availability (on average) of wind turbines for generation is now specified according to the wind profile shown in Figure 3<sup>6</sup>. As illustrated, the availability of wind during the daytime is relatively lower than at night.

#### 4.1.4. CHPs

Gas and biomass CHP generation is now characterised as a seasonal base-load technology, which enables the model to use the full installed capacity of CHP in winter.

Since heat demand is not included in STEM-E, a "heat credit" is implemented for heat output from CHPs. The heat credit is equivalent to cost of natural gas replaced

<sup>&</sup>lt;sup>5</sup> Although the wind data from the one location is not a representative sample, seasonal availability estimated based on monthly wind speed from many locations (Figure 11 in [15]) are somehow consistent with the seasonal wind profile from Chasseral.

<sup>&</sup>lt;sup>6</sup> It is important to note that wind turbines are not forced follow the wind profile. Instead, this profile represents the availability factor. Thus, the model could choose not to schedule wind turbine for balancing electricity supply and demand, although it may be an expensive option.

by the heat output of CHPs, assuming an equivalent amount of heat would otherwise be produced from a gas boiler with an efficiency of 90%. A full heat credit is applied for the fall and winter seasons, whereas in summer and spring a credit is applied for only 33% of the calculated gas savings (i.e. because heat demand is assumed to be lower in summer/spring). The heat credit is applied to heat from all types of CHP, i.e. including heat produced from biogas CHPs.



Figure 3: Availability factor for wind turbine

It is important to note that neither the capital/O&M costs of the gas boiler, nor the cost of a heat distribution network are considered. Further, no carbon credit is applied to the heat produced from CHP. To avoid overestimating the potential or CHP, the total heat credit is also capped at 60% of total space heating and 50% of total hot water demands in the SES final energy demand [5].

Since there is no heat demand in the model, we do not analyse any distributed CHP scenarios.

#### 4.2. New and future technologies

The new and future technologies in STEM-E remain the same as in the model documentation (Table 9 in [15]). Table 2 shows an indicative levelised cost of electricity supply from key technologies based on technical and fuel price assumptions in 2050. The actual inputs to the model comprise the individual cost

components (e.g., capital cost, O&M costs, fuel costs), and thus the optimisation is not based only on levelised cost.

Supply technology	Capi (Ch	tal cost /F/kW <b>)</b>	Levelised cost @ 2.5% discount rate ( <i>Rp/kWh</i> )		
	2010	2050	2010	2050	
Nuclear	4	250	5.9 ^		
Natural gas	1150	1050	11.4 ^^	15.4 <sup>^^*</sup>	
New hydro	6560 - 10000		4.5	5 - 13.9	
Solar PV	6500 1950		29.5	10	
Wind	2150 1750		19.5	14.5	
Geothermal		6650		16.5	
Biomass	6000	3800	14.3	8.9	
Electricity imports	434			φ <b>1</b> 6.1	
	(interco	onnector)		(8.5-22.8**)	

Table 2: Indicative cost of electricity supp	oly ir	า 2050
--	--------	--------

^ Including decommissioning and waste disposal levy of 1 Rp/kWh

^ Including CO<sub>2</sub> price from WWB scenario in Table 6

 $^{\ast}$  Based on a gas price assumption of 18.6 CHF/GJ or 6.7 Rp/kWhth in 2050

\*\* An annual average electricity price assumption of 43.7 CHF/GJ (15.7 Rp/kWh). Including interconnector costs, the average cost is 16.14 Rp/kWh and seasonal and hourly price varies between 8.54 and 22.77 Rp/kWh.

#### 4.2.1. Nuclear

For analyzing scenarios where investment in new nuclear power plants is allowed, the upper bound on investment (Table 12 in [15]) is now updated to 6.4 GW (in line with the SES electricity supply variants A and B [5]). A unit size of 1 GW for new nuclear plants (and 550 MW for gas) power plants is now applied (using a mixed-integer formulation).

For new nuclear plants, the availability factor is updated to 80% (from the previous assumption of 90%) to reflect more conservative assumptions on operation and maintenance. Note, the levelised generation cost of nuclear in STEM-E is comparable with the recent cost estimates from the SES study [22].

#### 5. Energy resources

The review summary on renewable potentials (Table 11 in [15]) has been updated in Table 3. In some studies, potentials are not explicit and thus in these cases Table 3 reports renewable deployment in the year 2050. The renewable resource potentials used in STEM-E are updated as in Table 4. The full renewable potential is available for deployment within the given periods (with actual deployment determined by the cost optimisation in STEM-E).

Energy	<b>SATW (2012)</b> [25]	VSE (2012) <sup>**</sup> [29]	<b>BFE (2012)</b> <sup>**/+</sup> [14]	BFE (2011) [5]	<b>Cleantech</b> (2011) <sup>**</sup> [26]	<b>ETS (2009)</b> <sup>§</sup> [12]	<b>PSI (2005)</b> <sup>§</sup> [14]
Source				In <i>TWh</i> e			
Hydro	36 – 42	35 – 40	Existing: 35.5 New: 4.57 (excluding 4 <i>TWh</i> pumped hydro)	Existing: 37.49 New: 5.08 (excluding 5 <i>TWh</i> pumped hydro)	Large: 28.8 Small: 5.01	Small hydro: 4 – 5 (5.7)	5.8 (< 10 MW) & 1.2 (< 1 MW) (in 2035: 5.8 (< 10 MW) & 1.1 (< 1 MW))
Solar PV	12 – 18	4 – 14	11.0	15 – 18 10.4**	24.36	8 – 12 (9.8)	11 GW 9.4 – 13.7 TWh <sub>e</sub>
Wind	2 – 4	2-4	4.2	4**	3.57	2 – 3 (4)	1.15 + 2.8 TWh <sub>e</sub>
Biomass	3.2 – 4.2	2-4	1.1 (+ 2.4 <sup>&amp;</sup> )	5.7 4.73**	1.64 (+1.62+2.38 <sup>&amp;</sup> )	5 (9)	91.94 TWh <sub>t</sub> (Theoretical)
Geothermal	4 – 5	2 - 3.5	4.4	4.4**	5.11	1.5 – 3.5 (5)	2 – 3 TWh (2035) Very high (2050)

Table 3: Review summary of renewable energy resource potentials in 2050

\*\* Deployed in 2050 <sup>§</sup> Estimated potentials for 2050 + Full potential is more or less deployed in 2050 <sup>&</sup> Wastes/Biogas

<b></b>	T	_				
Decourses	2010 2035 2050*		2050*	Sources/Remarks		
Resources	TWh <sub>e</sub>					
Solar PV		5.5	9.7	[12]; 2035 data is based on interpolation		
Wind		1.2	2.6	Wind park of 1.2 TWh by 2035 and 50% of 2.8 TWh potential from the other site specific potentials by 2050 [24]		
Geothermal		1.1 4.4		As in the SES assumption [7][5] (this is to make up the BFE's objective to have 21 TWh of renewable by 2050)		
Waste/biogas	2.2	2.2	2.2	Maintained at today's level		
Biomass	0.8	1.9	3.8	Based on [24] i.e. one-third of the biomass would be used for electricity generation; 2035 data is based on interpolation		
Hydro existing /refurbished	35.5	35.9 (34.4+1.55)		Historical average hydro output of 34.4 TWh is adopted (note, 2010 was slightly above average). Additional 1.55 TWh is assumed to be gained on refurthishment of the existing hydro		
Hydro new		2.4 2.4		plants. New hydro potential of 2.38 TWh is based on expert judgment. Thus, total hydro potential in 2050 is 38.3 TWh.		
Total renewables (excluding Hydro)	3.0	11.9	22.8			
Total renewable (including hydro)	38.5	50.2	60.9			
Pumped hydro		7.56	7.56	Based on the 2050 SES scenarios [7]. Pumped hydro is treated separately from the hydro potential. There is no limit assumed for capacity of pumped hydro.		

Table 4: Updated renewable energy resource potentials in STEM-E

\* The potential from 2050 is maintained for the rest of the model horizon

#### 5.1.1. Hydro

Hydro resource potentials in Table 10 in [15] have been updated as in Table 4. Figure 4 shows the historical hydro electricity generation. Annual average hydro output is about 34.4 TWh after adjusting<sup>7</sup> for generation from pumped hydro. The historical average hydro generation is adopted as the future potential in the model. An additional 1.55 TWh is assumed to be gained on refurbishment of the existing hydro plants (see Table 10 in [15]). The refurbishment cost is assumed to be 35% of the cost of new hydro plants. Thus, a total of 35.9 TWh is assumed to be available from existing hydro plants.

New hydro potential is updated to 2.38 *TWh* (compared to 4 *TWh* in earlier version of the model) based on expert judgment. Thus, total hydro potential in 2050 is 38.3 (34.4+1.55+2.33) TWh compared to 40 TWh in the 2050 Swiss Energy perspectives [7].

<sup>&</sup>lt;sup>7</sup> 80% of the electricity consumed in pump is considered as pumped hydro generation.



Figure 4: Historical generation of hydro power plants

#### 6. Electricity interconnectors

For imported (and exported) electricity, the price assumption is updated to that of the 450 ppm climate scenario of the ADAM project [1] (versus the Reference scenario in the model documentation (Table 12 in [15]) and in the earlier analysis [17][31]). Now the annual average cost of electricity in 2050 is 43.7 CHF/GJ or 15.74 Rp/kWh. For expansion of interconnectors, a capital cost (434 CHF/kW [21]) is included in the model. However, this cost is subject to high uncertainty, dependent on interconnector length, and site and operating conditions (as are transmission losses). When the capital and O&M costs of interconnectors are included, the average electricity price is 16.14 Rp/kWh and the hourly price ranges from 8.54 to 22.77 Rp/kWh.

Previously, import and export interconnectors from the four neighbouring countries were modelled based on [28]. The import and export interconnectors are modelled as two separate infrastructures. However, to our understanding, some interconnectors are used for import and exports at different time of the day or year. This created inconsistencies in calibrating the model to historical trade volume, particularly since in the recent years the trade volume has increased considerably (Figure 5). This methodological issue in modelling the interconnectors is to be addressed. For the time being the maximum capacity of existing interconnectors reported in [28] and [25] is adopted. However, for the future years electricity trade volume is limited to 100 PJ (or 27 TWh) to avoid arbitrage trading that does not impact technology choice in Switzerland.



Figure 5: Historical electricity supply and demand balance

	Austria	Germany	France	Italy	Total
			In GW		
		Based or	n Swiss Gr	id [28]	
Export	1.45	4.2	2.8	4.7	13.15
Import	2.5	4.3	1.7	1.9	10.4
		Based on	SATW (201	2)* [25]	
Export	1.2	4.4	1.3	4.2	11.1
Import	0.54	2.1	3.2	1.8	7.6
		STE	EM-E data*	*	
Export	1.45	4.4	2.8	4.7	13.35
Import	2.5	4.3	3.2	1.9	11.9
* The highest especity from two sessess is taken from Table 4.1 p. 100 [25]					

Table 5: Assumptions on capacity (GW) of international interconnectors

\* The highest capacity from two seasons is taken from Table 4.1, p. 100 [25] \*\* The maximum capacity from both data set has been adopted.

#### 7. Taxes and subsidies

A carbon dioxide  $(CO_2)$  tax is applied to emissions from natural gas-based plants. However,  $CO_2$  emissions from other thermal power plants (e.g. waste incineration or biomass) are not taxed. Table 6 shows the  $CO_2$  tax implemented in the model, based on the assumptions in SES [7].

	NEP WWB/POM						
	In CHF/t-CO <sub>2</sub> *						
2010	15.6	15.6					
2020	46.8	39.5					
2030	109.2	47.8					
2035	124.8	52.0					
2040	135.2	55.1					
2050	142.5	58.2					
2100	142.5	58.2					
In Rp/kWh <sub>e</sub> **							
2010	0.8	0.8					
2030	3.8	1.6					
2050 4.2 1.7							
* Currency conversion : 1 US\$ <sub>2010</sub> ≈ 1.04 CHF <sub>2010</sub> ** Estimated cost of CO <sub>2</sub> per electricity output							

Table 6:  $CO_2$  tax for the electricity sector

\* Currency conversion :  $1 \text{ US}_{2010} \approx 1.04 \text{ CHF}_{2010}$ \*\* Estimated cost of CO<sub>2</sub> per electricity output based on the assumptions on gas power plant efficiency in Table 9 in [15]

Source: BFE [7]

The federal electricity surcharge (i.e.  $KEV^8$  for promotion of renewable energy) of 0.9 Rp/kWh<sub>e</sub> from 2013 is included (as a tax) based on [5]. It is worth noting that KEV is applied to the entire electricity demand and does not affect the choice of supply technology.

The tax revenue (from the electricity surcharge or  $CO_2$  tax) are not assumed to be recycled as subsidies for renewable electricity or demand reduction measures.

#### 8. Corrections

Table 7 indicates some errors or omissions in the original documentation [15]. In addition, the following bugs have been fixed:

• Existing CHP plants were mistakenly characterised as dispatchable plant. They are now characterised as seasonal base-load plant.

<sup>&</sup>lt;sup>8</sup> Bundesabgabe zur Förderung erneuerbarer Energie (KEV) in [5] p. 12

- In the retirement schedule of the existing nuclear plants<sup>9</sup>, the previous version of the model estimated the lifetime as the end of a specified model period, rather than the specified year. This caused a net<sup>10</sup> overestimation of the contribution from the existing nuclear power plants (~ 5.44 GW-year equivalent till 2034). This has been now corrected and the existing technologies are now schedule to retire on the exact years.
- Similar to nuclear, retirement of the existing hydro power plants are changed.

Page	Section/ paragraph /line		Existing text	Corrected text
6	§ 2.1.3	Reference in line 4	[27]	[16]
25	Table 9	Unit of Fixed OM cost	CHF/kW	CHF/kW/y
30	Table 11*	Long term potential in 3 <sup>rd</sup> column	83 91.94 TWh <sub>t</sub> 331 PJ (Theoretical)	21.6 TWh <sub>t</sub> (91.94 TWh <sub>t</sub> ) (Theoretical) Wastes – 28 PJ (or 6 TWh)
		Footnote *	Biomass includes wastes and 25% of biomass is treated as biogas.	Biomass includes wastes, sewages gas and manure. 25% of biomass is treated to be biogas mainly from waste water.
32	Table 12	2 <sup>nd</sup> column: Unit of costs	CHF <sub>2010</sub> /PJ	CHF <sub>2010</sub> /GJ
40	References	Ref. no. 29	[29]	As in [14] in this document
52	Appendix VI	Unit of Fixed OM cost	CHF/kW	CHF/kW/y

Table 7: Corrections to the model documentation [15]

\* Note, Table 11 is now revised and simplified as Table 3 in this document

#### 9. References

[1]. ADAM - Adaptation and Mitigation Strategies: Supporting European climate policy (2010). <<u>http://www.adamproject.eu/</u>>

<sup>[2].</sup> BFE (2004) Konzept Windenergie Schweiz. Grundlagen für die Standortwahl von Windparks, Bundesamt für Energie, Bundesamt für Umwelt, Wald und Landschaft, Bundesamt für Raumentwicklung, Bern. <<u>http://www.news.admin.ch/NSBSubscriber/message/attachments/18670.pdf</u>>

<sup>&</sup>lt;sup>9</sup> The existing nuclear power plants are modelled to retire as follow: "the first reactor at the Beznau is scheduled to retire in 2019 followed by the second reactor and the Muhleberg nuclear reactor in 2022. The Goesgen nuclear plant is scheduled to retire in 2029 followed by the Leibstadt nuclear plant in 2034" [15]

<sup>&</sup>lt;sup>10</sup> Underestimation of contribution from Beznau I by one year (retires in 2017 instead 2019) (1\*365 MW); Goesgen by two years (2028 instead 2029) 2\*970 MW) and over estimation of Leibstadt by six year (2040 instead 2034) (6 \* 1.19 MW).

[3]. BFE (2001) EnergieSchweiz: Das Nachfolgeprogramm von Energie2000. Bundesamt für Energie, Bern.

<http://www.solarpeace.ch/solarpeace/Download/20010101 EnergieSchweiz.pdf>

- [4]. BFE (2007) Die Energieperspektiven 2035. Bundesamt für Energie, Bern.
- [5]. BFE (2011) Grundlagen für die Energiestrategie des Bundesrates; Frühjahr 2011, Bundesamt für Energie BFE, Bern. <<u>http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_8300</u> <u>45657.pdf</u>>
- [6]. BFE (2012) Energiestrategie 2050 und ökologische Steuerreform Bundesrat eröffnet Vernehmlassung zur Energiestrategie 2050. <a href="http://www.bfe.admin.ch/energie/00588/00589/00644/index.html?lang=de&msg-id=46133">http://www.bfe.admin.ch/energie/00588/00589/00644/index.html?lang=de&msg-id=46133</a>
- [7]. BFE (2012) Energieperspektiven für die Schweiz bis 2050. Energienachfrage und Elektrizitätsangebot in der Schweiz 2000 – 2050.
   <a href="http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_5648\_69151.pdf">http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_5648\_69151.pdf</a>>
- [8]. BFE (2012) Schweizerische Elektrizitätsstatistik (years 2000-2011), Bundesamt für Energie, Bern. <<u>http://www.bfe.admin.ch/themen/00526/00541/00542/00631/index.html?lang=de&dossier\_id=</u> 00765>
- [9]. BFE (2012) Infoanlass zur Energiestrategie 2050 vom 2. Mai 2012. In P. Previdoli, Entwicklung Endenergie- und Elektrizitätsverbrauch (Szenarien). <<u>http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_2962</u> <u>87736.pdf</u>>
- [10]. BFE (2012) Erste Massnahmen Energiestrategie 2050 (18 April 2012). <<u>http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_2853</u> <u>84668.pdf</u>>
- [11]. ETH (2011) ETH ZÜRICH: Energiezukunft Schweiz, November 2011. <<u>http://www.cces.ethz.ch/energiegespraech/Energiezukunft\_Schweiz\_2011115.pdf</u>>
- [12]. ETS (2009) Energie Trialog Schweiz 2009: Energie-Strategie 2050 Impulse f
  ür die schweizerische Energiepolitik. Grundlagenbericht. <a href="http://www.energietrialog.ch/cm\_data/Grundlagenbericht.pdf">http://www.energietrialog.ch/cm\_data/Grundlagenbericht.pdf</a>>
- [13]. FASC (2011) Federal Council decides to gradually phase out nuclear energy as part of its new energy strategy, Press release, The Federal Authorities of the Swiss Confederation, Bern. <<u>http://www.admin.ch/aktuell/00089/index.html?lang=en&msg-id=39337</u> > [25 May, 2011]
- [14]. Hirschberg, S., Bauer, C., Burgherr, P., Biollaz, S., Durisch, W., Foskolos, K., Hardegger, P., Meier, A., Schenler, W., Schulz, T., Stucki, S., Vogel, F., (2005) Neue Erneuerbare Energien und neue Nuklearanlagen: Potenziale und Kosten. PSI-Report no.05-04. Paul Scherrer Institut, Villigen PSI, Switzerland. <<u>http://gabe.web.psi.ch/pdfs/PSI\_Report/PSI-Bericht\_05-04sc.pdf</u>>
- [15]. Kannan R., Turton H. (2011) Documentation on the development of Swiss TIMES Electricity Model (STEM-E), Paul Scherrer Institut, Switzerland. <<u>http://energyeconomics.web.psi.ch/Projects/stemE.html</u>>
- [16]. Kannan R., Turton H. (2012) A long-term electricity dispatch model with the TIMES framework, *Environment Modeling and Assessment*. DOI:10.1007/s10666-012-9346-y
- [17]. Kannan R., Turton H. (2012) Cost of ad-hoc nuclear policy uncertainties in the evolution of the Swiss electricity system, *Energy Policy* 50: 391-406 DOI:10.1016/j.enpol.2012.07.035
- [18]. Kannan and Turton (2012) Swiss electricity supply options: A supplementary paper for PSI's Energie Spiegel Nr. 21, Paul Scherrer Institut. <<u>http://energyeconomics.web.psi.ch/Projects/stemE.html</u>>
- [19]. Marcucci, A., Turton, H., (2012). Swiss energy strategies under global climate change and nuclear policy uncertainty, *Swiss Journal of Economics and Statistics*. **148** (2): 317-345.

- [20]. MeteoSwiss (2011), Hourly wind speed Chasseral, Federal Office of Meteorology and Climatology, Zürich. <<u>www.meteoswiss.admin.ch</u>>
- [21]. Odenberger M and T. Unger (2011) The role of new interconnectors in European Energy Pathways: Pathways to Sustainable European Energy System, in F. Johnsonn (2011) Methods and Models used in the project used in the project Pathways to Sustainable European Energy Systems), Alliance for Global Sustainability. <<u>http://www.energy-</u>pathways.org/pdf/Metod\_reportJan2011.pdf>
- [22]. Prognos (2011) Kurzstudie Kosten neuer Kernkraftwerke, Basel. <<u>http://www.bfe.admin.ch/php/modules/publikationen/stream.php?extlang=de&name=de\_9091</u> <u>44856.pdf</u>> [12.02.2012]
- [23]. PSI (2012) Die Neue Schweizer Energiepolitik: Woher kommt der Strom? Energie Speigel Nr. 21. <<u>http://gabe.web.psi.ch/energie-spiegel/</u>>
- [24]. SATW (2007) Road Map-Renewable Energies Switzerland: An analysis with a view to harnessing existing potentials by 2050, Swiss Academy of Engineering Sciences.
- [25]. SATW (2012) Zukunft Stromversorgung Schweiz Kurzfassung, Akademien der Wissenschaften Schweiz <<u>http://www.satw.ch/publikationen/schriften/stromversorgung/kurzfassung\_DE</u>>
- [26]. Swiss Cleantech (2011) Cleantech Energiestrategie: Richtig rechnen und wirtschaftlich profitieren, auf CO<sub>2</sub>-Zielkurs (12. September 2011), Eine thematische Vertiefung der Cleantech Strategie Schweiz (2010) zu Energie. <<u>http://www.swisscleantech.ch/images/official\_documents/energiestrategie/energiestrategie\_2</u> v2D.pdf >
- [27]. Swiss Cleantech (2012) Cleantech Energiestrategie: Richtig rechnen und wirtschaftlich profitieren, auf CO<sub>2</sub>-Zielkurs (Version 3.0, 4. Oktober 2012). <<u>http://www.swisscleantech.ch/fileadmin/content/POL/energiestrategie\_v01D\_2012\_DIGITAL.</u> pdf >
- [28]. Swissgrid (2009) Informationsveranstaltung Bilanzgruppenmanagement (Page 13). http://www.swissgrid.ch/company/downloads/document/S080622\_BGV-information-eventbalance-group-management.pdf
- [29]. VSE (2012) Wege in die neue Stromzukunft, Verband Schweizerischer Elektrizitätsunternehmen. Press release 12 June 2012. <a href="http://www.strom.ch/uploads/media/VSE\_Factsheets\_Szenarien\_2012.pdf">http://www.strom.ch/uploads/media/VSE\_Factsheets\_Szenarien\_2012.pdf</a>>
- [30]. Weidmann N., Turton, H., Wokaun, A., 2009. Case Studies of the Swiss Energy System Sensitivity to Scenario Assumptions Assessed with the Swiss MARKAL Model, Studie im Auftrag des Energie Trialog Schweiz, Energy Economics Group, Paul Scherrer Institut, 5232 Villigen PSI.
- [31]. Weidmann N., Kannan R., Turton H. (2012) Swiss climate change and nuclear policy: a comparative analysis using an energy system approach and a sectoral electricity model, *The Swiss Journal of Economics and Statistics*, **148** (2): 275-316.

## Appendix I: STEM-E database file

Model	Swiss TIMES electricity model (STEM-E)		
Author	Kannan Ramachandran		
Organisation	Energy Economics Group Laboratory for Energy Systems Analysis Paul Scherrer Institut, 5232 Villigen PSI, Switzerland.		
Database name	STEM-E-R2 (28 November 2012)		
Sectors	Electricity sector		
Start date	01.09.2009		
First release	14.06.2011(STEM-E-R1)		
Second release	28.11.2012 (STEM-E-R2)		
References	R. Kannan and H. Turton (2011) Documentation on the development of the Swiss TIMES Electricity Model, <i>PSI Bericht Nr. 11-3</i> , Paul Scherrer Institut, Switzerland		
	R. Kannan and H. Turton (2012) The Swiss TIMES Electricity Model (STEM-E) - Updates on model data and assumptions – Updates to the model input data and assumptions, Paul Scherrer Institut, Switzerland		
Key model outputs	Kannan R, Turton H. (2012) Cost of ad-hoc nuclear policy uncertainties in the evolution of the Swiss electricity system, <i>Energy Policy</i> , 50: 391-406. < <u>http://dx.doi.org/10.1016/j.enpol.2012.07.035</u> >		
	Kannan R., Turton H. (2012) A long-term electricity dispatch model with the TIMES framework, <i>Environment Modeling and Assessment</i> . DOI:10.1007/s10666-012- 9346-y		
	Weidmann N., Kannan R., Turton H. (2012) Swiss climate change and nuclear policy: a comparative analysis using an energy system approach and a sectoral electricity model, <i>The Swiss Journal of Economics and Statistics</i> , <b>148</b> (2): 275-316		
	PSI (2012) Die Neue Schweizer Energiepolitik: Woher kommt der Strom? <i>Energie Speigel Nr. 21</i>		
	Kannan and Turton (2012) Swiss electricity supply options: A supplementary paper for PSI's Energie Spiegel Nr. 21, Paul Scherrer Institut, Switzerland.		
Status	Second Release (November 2012)		