



NEWSLETTER AND RESEARCH HIGHLIGHTS

Greetings,

We hope you and your family are safe and healthy. We are pleased to offer the newest installment of the Energy Systems and Climate Analysis (ESCA) newsletter. Our website can now be found at <http://esca.epri.com>.

All announcements included in this email as well as past announcements can be found on the ESCA [website](#).

ESCA Staff in the News

PUF Fortnightly Under 40



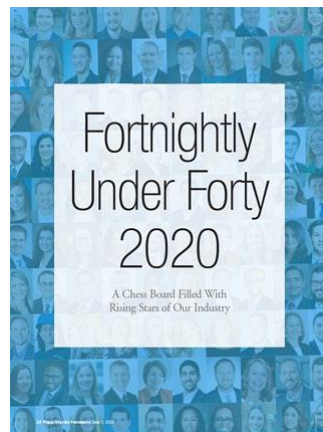
John Bistline



Delavane Diaz

ESCA researchers, John Bistline and Delavane Diaz, were recently recognized among Public Utilities Fortnightly's "Fortnightly Under Forty 2020".

Dr. Diaz was also interviewed about her research at EPRI including her work leading analysis of the potential for cost-effective electrification in New York state and development of the Mexico REGEN model that can be used to provide strategic insight on key issues related to clean energy goals and fuel markets.



[Read article](#)

Encouraging STEM Careers

During times like these, many of us have spent more time with family and some have become instant teachers. While teaching children at home can be challenging, science experiments and other projects have helped keep kids engaged. Learn the story of EPRI Scientist and ESCA researcher, [Dr. Nidhi Santen](#), and find out how she is encouraging children from all backgrounds to get involved in science.

Dr. Santen has always used science as a tool to protect nature and says there is room in science for all types of skill sets. As a way to break barriers & stereotypes in STE(A)M, she has helped create "I am a Scientist" to encourage young students from all over the world. Learn more about the campaign [here](#).

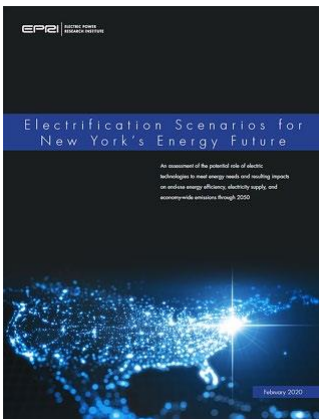


"I Am A Scientist" is designed to encourage the next generation to explore STEM careers. The goal is to ensure that students of all backgrounds and interests can see and connect with the relatable individuals behind groundbreaking scientific innovation.

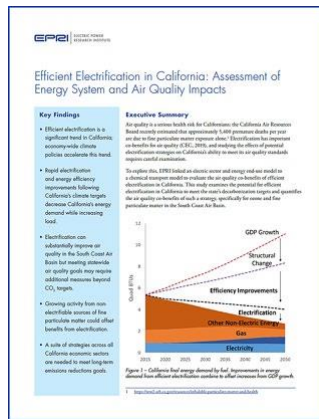
ESCA Research Highlights

Efficient Electrification in U.S. States

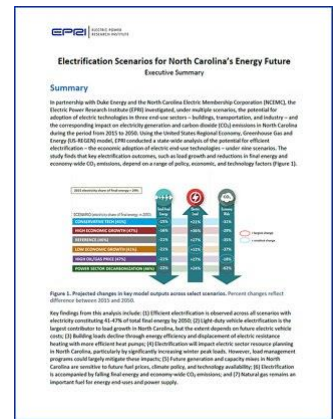
Following the publication of the U.S. [National Electrification Assessment](#), EPRI launched a series of assessments at the state level to evaluate the economic potential for electrification over the next three decades across the buildings, transportation, and industrial sectors. Using EPRI's US-REGEN model, EPRI evaluated electrification outcomes across a range of state-specific scenarios that varied different policy, market, and technology drivers.



[Electrification Scenarios for New York's Energy Future](#)



[Efficient Electrification in California: Assessment of Energy System and Air Quality Impacts](#)



[Electrification Scenarios for North Carolina's Energy Future](#)

Estimating Power Sector Leakage Risks and Provincial Impacts of Canadian Carbon Pricing

John E. T. Butler*, James Morrice¹, Victor Nemeyer²

Received: 4 April 2020
Accepted: 10 June 2020
© Springer Nature B.V. 2020

Abstract
Climate pricing systems have emerged in Canada at provincial and federal levels to reduce CO₂ emissions. However, across border electricity trade with the U.S. is already extensive, and although Canada is currently a net exporter, policy stringency could drive these flows to reverse. Since CO₂ emissions are currently unregulated in many U.S. states, there is a concern that this unregulated generating capacity will lead to emissions leakage, or electric generation and emissions shift toward these unregulated regions. This paper considers potential power generation leakage and distributed generation energy generation from Canadian carbon pricing. Using an integrated model of electric sector emissions and generation with detailed spatial and temporal resolution, the analysis demonstrates how emissions leakage through trade alignment can be non-trivial fraction of the intended emissions reductions even in the presence of leakage containment measures. Magnitude of long-run leakage risks from Canadian carbon pricing depend on market and policy uncertainties (e.g., natural gas prices, proposed fuel-growth, long-term demand elasticities, timing of future U.S. CO₂ policy), ranging from 17% (high gas price scenario with lower carbon adjustment) to 76% (lower gas price scenario without additional measures), which are higher than reported literature values for national policies. When leakage containment measures are implemented, net emissions and leakage rates decrease, but gross emissions in Canada and policy costs increase. Leakage prices in alternate scenarios with unmitigated transmission expansion, higher natural gas prices, lower fuel growth, higher price elasticities of demand, and U.S. adoption of carbon pricing, but leakage risks decrease under these conditions.

Keywords Climate policy · Economic geography · Emissions leakage · Energy emissions modeling · Market integration · Trade

JEL Classification F10 · L51 · Q43 · Q45

22 John E. T. Butler
John@epri.com

¹ Electric Power Research Institute, 3200 Hillview Avenue, Palo Alto, CA 94304, USA
² Gas Research Institute, 6500, Belmont
³ Nemeyer Solutions, 1252 Business Ave, San Jose, CA 95131, USA

Published online: 25 April 2020

Applied Energy 247 (2020) 107088

Contents lists available at ScienceDirect
Applied Energy

Journal homepage: www.elsevier.com/locate/apenergy

Emissions impacts of future battery storage deployment on regional power systems

John E.T. Butler^a, David T. Young

^a Electric Power Research Institute, 3200 Hillview Avenue, Palo Alto, CA 94304, United States

ARTICLE INFO

Keywords
• Assess the emissions impact of future energy storage deployment
• Energy storage has an impact on the power system emissions
• Emissions impact of storage is most significant in the West
• Storage emissions reduction is more likely with coal and gas plants

ABSTRACT
Battery storage technologies have attracted attention from policymakers for their potential to reduce emissions by providing greater operational flexibility. However, battery storage deployment may also have emissions impacts. This paper assesses the emissions impacts of future battery storage deployment on regional power systems. The analysis demonstrates how emissions leakage through trade alignment can be non-trivial fraction of the intended emissions reductions even in the presence of leakage containment measures. Magnitude of long-run leakage risks from Canadian carbon pricing depend on market and policy uncertainties (e.g., natural gas prices, proposed fuel-growth, long-term demand elasticities, timing of future U.S. CO₂ policy), ranging from 17% (high gas price scenario with lower carbon adjustment) to 76% (lower gas price scenario without additional measures), which are higher than reported literature values for national policies. When leakage containment measures are implemented, net emissions and leakage rates decrease, but gross emissions in Canada and policy costs increase. Leakage prices in alternate scenarios with unmitigated transmission expansion, higher natural gas prices, lower fuel growth, higher price elasticities of demand, and U.S. adoption of carbon pricing, but leakage risks decrease under these conditions.

1. Introduction
Battery storage technologies have attracted attention from policymakers for their potential to reduce emissions by providing greater operational flexibility. However, battery storage deployment may also have emissions impacts. This paper assesses the emissions impacts of future battery storage deployment on regional power systems. The analysis demonstrates how emissions leakage through trade alignment can be non-trivial fraction of the intended emissions reductions even in the presence of leakage containment measures. Magnitude of long-run leakage risks from Canadian carbon pricing depend on market and policy uncertainties (e.g., natural gas prices, proposed fuel-growth, long-term demand elasticities, timing of future U.S. CO₂ policy), ranging from 17% (high gas price scenario with lower carbon adjustment) to 76% (lower gas price scenario without additional measures), which are higher than reported literature values for national policies. When leakage containment measures are implemented, net emissions and leakage rates decrease, but gross emissions in Canada and policy costs increase. Leakage prices in alternate scenarios with unmitigated transmission expansion, higher natural gas prices, lower fuel growth, higher price elasticities of demand, and U.S. adoption of carbon pricing, but leakage risks decrease under these conditions.

[Estimating Power Sector Leakage Risks and Provincial Impacts of Canadian Carbon Pricing](#)

[Emissions Impacts of Future Battery Storage Deployment on Regional Power Systems](#)

ESCA Research Summaries—Greenhouse Gas Emissions Offsets and Accounting

EPA ENERGY SYSTEMS

EPR Energy Systems and Climate Analysis Group Research on Greenhouse Gas Emissions Accounting

Last Updated: March 2020

This is a summary of EPR Energy Systems and Climate Analysis Group research on greenhouse gas emissions accounting. Web links are provided for each publication, unless noted as "in press" or "in review" or "in the public domain" or "published in another journal." Other publications are available through EPR's website at www.epri.com or through EPR's publications on ResearchGate. For more information on EPR's research, please visit our website at www.epri.com or contact us at info@epri.com. For more information on EPR's research, please visit our website at www.epri.com or contact us at info@epri.com.

GHG EMISSIONS ACCOUNTING

1770 Method to Assess the Greenhouse Gas Emissions Footprint of a Nuclear Power Plant, EPRI Report 3002001008, March 2015. <http://www.epri.com/Products/3002001008>

1780 Quantifying Greenhouse Gas Emissions Reductions Associated with Large-Scale Fuel Gas Energy Efficiency Programs, EPRI Report 3002001009, June 2015. <http://www.epri.com/Products/3002001009>

1790 EPR's Commitment to EPR's Reduced-Gas Requirements for Greenhouse Gas Emissions from Electric Utility Generation Units, EPRI Report 3002001010, June 2015. <http://www.epri.com/Products/3002001010>

1800 The EPR's Greenhouse Gas Emissions (GHG) Methodology and Performance Tool (EMPT), Emissions Modeling and GHG Performance Assessment with Fuel Gas, EPRI Report 3002001011, 2014. <http://www.epri.com/Products/3002001011>

1810 EPR's Greenhouse Gas Emissions (GHG) Methodology and Performance Tool (EMPT), Emissions Modeling and GHG Performance Assessment with Fuel Gas, EPRI Report 3002001012, March 2014. <http://www.epri.com/Products/3002001012>

1820 Understanding the Impact of Design Policy on Electric Generation and Emissions Reduction, EPRI Report 3002001013, December 2008. <http://www.epri.com/Products/3002001013>

1830 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

March 2020

Electric Power Research Institute
3200 Hillview Avenue, Palo Alto, California 94304-5050, USA
950.133.3700 • 415.321.2227 • info@epri.com • www.epri.com
© 2020 Electric Power Research Institute. All rights reserved. EPRI and EPR are registered trademarks of EPRI. EPR is a registered trademark of EPR.

EPA ENERGY SYSTEMS

EPR Energy Systems and Climate Analysis Group Research on Greenhouse Gas Emissions Offsets

Last Updated: March 2020

This is a summary of EPR Energy Systems and Climate Analysis Group research on greenhouse gas emissions offsets. Web links are provided for each publication, unless noted as "in press" or "in review" or "in the public domain" or "published in another journal." Other publications are available through EPR's website at www.epri.com or through EPR's publications on ResearchGate. For more information on EPR's research, please visit our website at www.epri.com or contact us at info@epri.com. For more information on EPR's research, please visit our website at www.epri.com or contact us at info@epri.com.

GREENHOUSE GAS OFFSET PROJECT DESIGN, METHOD, AND ANALYSIS

1840 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1850 Estimating the Greenhouse Gas Emissions Footprint of a Nuclear Power Plant, EPRI Report 3002001008, March 2015. <http://www.epri.com/Products/3002001008>

1860 Estimating the Greenhouse Gas Emissions Footprint of a Nuclear Power Plant, EPRI Report 3002001008, March 2015. <http://www.epri.com/Products/3002001008>

1870 The EPR's Greenhouse Gas Emissions (GHG) Methodology and Performance Tool (EMPT), Emissions Modeling and GHG Performance Assessment with Fuel Gas, EPRI Report 3002001011, 2014. <http://www.epri.com/Products/3002001011>

1880 The EPR's Greenhouse Gas Emissions (GHG) Methodology and Performance Tool (EMPT), Emissions Modeling and GHG Performance Assessment with Fuel Gas, EPRI Report 3002001012, March 2014. <http://www.epri.com/Products/3002001012>

1890 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1900 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1910 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1920 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1930 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1940 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1950 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1960 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1970 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1980 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

1990 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

2000 Reporting the Risk of Fuel Gas, Fuel for Change and Energy Program and the Carbon Market in Estimating Global Climate Change, EPRI Report 3002001014, December 2008. <http://www.epri.com/Products/3002001014>

[Greenhouse Gas Emissions Accounting](#)

[Greenhouse Gas Emissions Offsets](#)

ESCA maintains a series of research summaries that provide a list of all ESCA research related to a particular topic. Other [research summaries](#) are available for **renewable generation**, the economics of **electricity storage**, and the value and costs of **nuclear** generation. Web links are included where available. Publications marked with an * are available to the public free of charge or are published in academic journals. Other

publications are available to EPRI member companies, as indicated by the program number in brackets preceding the publication. The research summaries are organized by topic and by date and are updated several times a year.

RECAP: 23rd Annual Energy and Climate Research Seminar



Due to the coronavirus (COVID-19) pandemic, EPRI's 23rd annual Energy and Climate Research Seminar was convened as a remote meeting via WebEx. The virtual seminar consisted of three sessions organized around the following topics:

- Session 1: Climate change understanding, including the latest updates to climate modeling and scenarios, public perception of climate change, and climate change communication
- Session 2: Policy outlook on state actions and initiatives
- Session 3: Decarbonization trends focused on transportation, hydrogen, energy storage and solar power and grid integration

Meeting materials including the agenda and presentation slides are available on the ESCA [website](#).

US-REGEN Model Documentation Update

The Electric Power Research Institute (EPRI) maintains an energy-economy model of the United States called the U.S. Regional Economy, Greenhouse Gas, and Energy (US-REGEN) Model. First developed in 2011, the model combines a detailed dispatch and capacity expansion model of the United States electric sector with an economy-wide end-use model disaggregated by sector and activity. This report describes the model, the methodology and theory that underlie it, and the construction of the associated datasets that inform the model. US-REGEN is regularly updated, and features are added to address new research questions. This version of the documentation describes the model's structure as of 2019.



[View Model Documentation](#)

Member Center

The ESCA Group conducts its research as part of EPRI Programs 201 (Energy, Environmental, and Climate Policy Analysis) and 178 (Resource Planning for Electric Power Systems). Examples of recent program-specific research includes:

- Analyzing the DeGette Federal Clean Energy Standard Proposal – Project Set 201-B ([Webcast](#))
- System Flexibility Investments and Energy Prices in Regional High Renewable Grids – Project Set 178-B ([Report](#))
- Incorporating Distributed Energy Resources into Resource Planning: Rooftop Solar PV and Electric Vehicles – Project Set 178-B ([Webcast](#))

- Exploring International Greenhouse Gas Reduction Cooperation – Project Set 201-E ([Webcast](#))
-

For more information about these programs, please contact [David Young](#) (P201) or [Adam Diamant](#) (P178).

Thank you for your continued interest in our work. If you have any questions please email eea@epri.com.

Best,
EPRI Energy Systems and Climate Analysis Group

