

Current State of Sustainable Marine Fuels

Presenters:

Josh Messner, Technical Manager, Bioenergy Technologies Office

Dr. Troy Hawkins, Fuels and Products Group Leader, Argonne National Laboratory

Dr. Lee Kindberg, Head of Environmental Sustainability–North America, Maersk



Feedstock



Algae



Conversion



Systems



Data

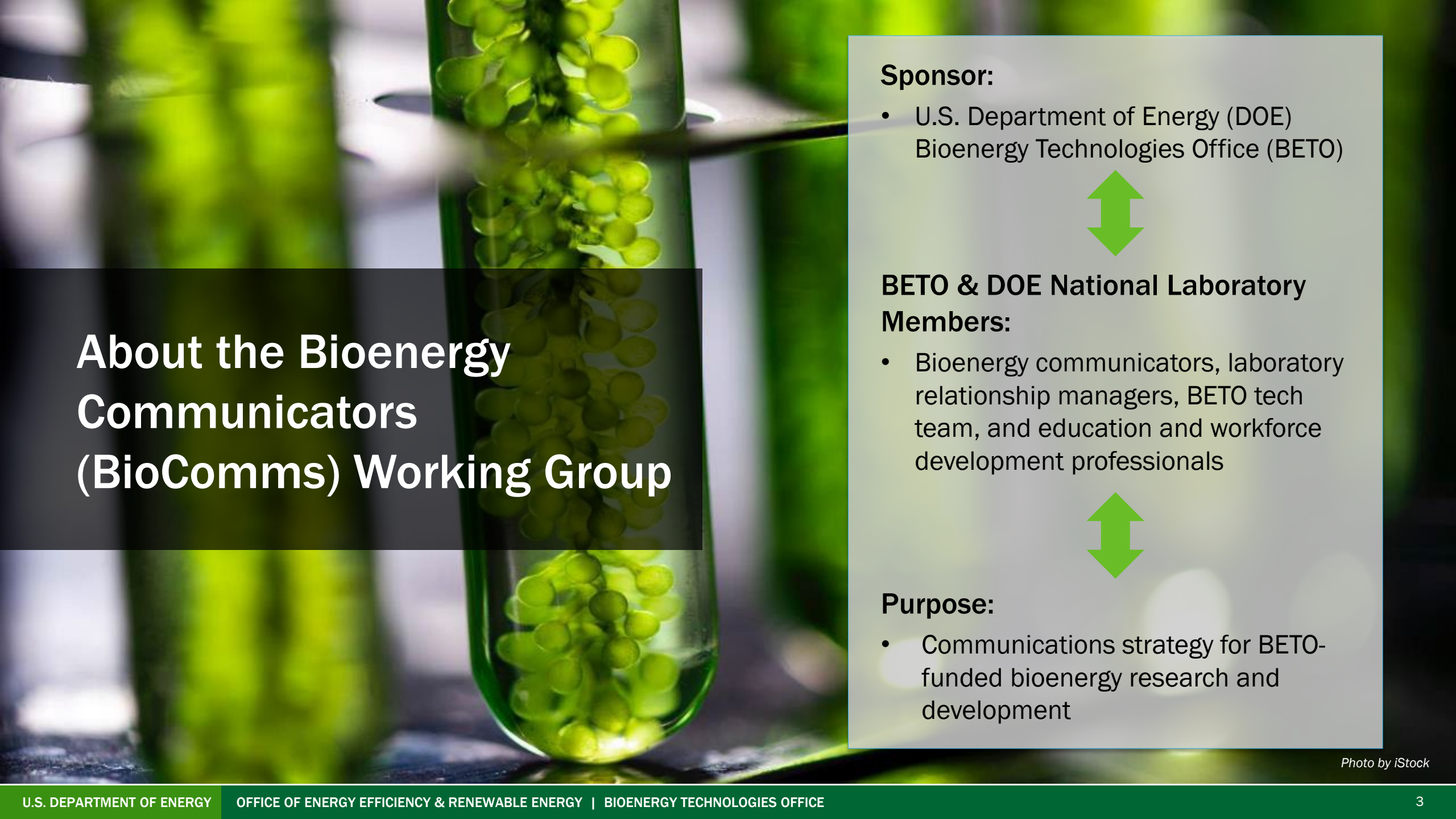
March 15, 2022

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About the Bioenergy Communicators (BioComms) Working Group

Sponsor:

- U.S. Department of Energy (DOE)
Bioenergy Technologies Office (BETO)



BETO & DOE National Laboratory Members:

- Bioenergy communicators, laboratory relationship managers, BETO tech team, and education and workforce development professionals



Purpose:

- Communications strategy for BETO-funded bioenergy research and development

Photo by iStock



Today's Agenda

- I. Josh Messner: Alternative Marine Fuel R&D Support at BETO
- II. Dr. Troy Hawkins: Life Cycle Analysis of Alternative Fuels for Maritime Shipping
- III. Dr. Lee Kindberg: Marine Fuels for the Future

Photo courtesy of iStock

Today's Presenters



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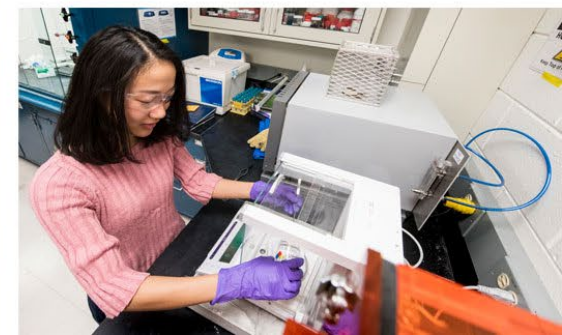
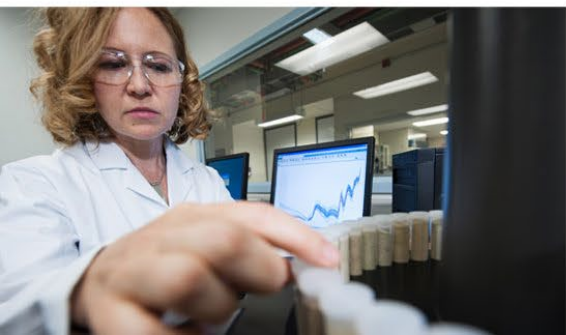
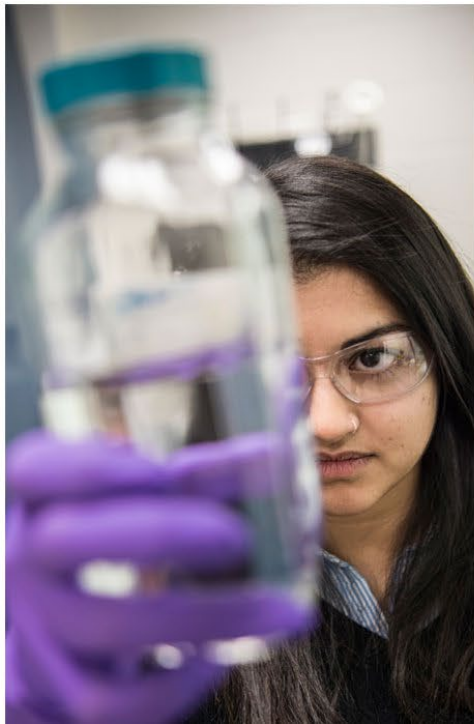
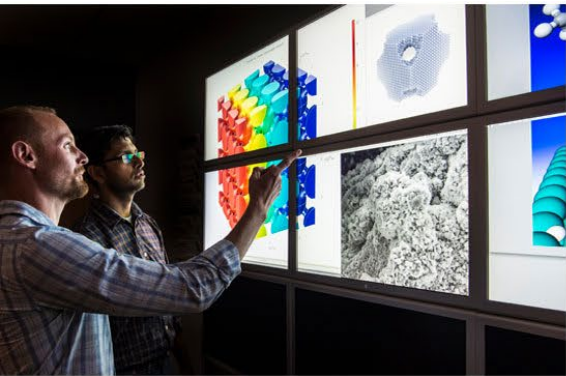


Josh Messner
Technology Manager
Bioenergy Technologies Office

Alternative Marine Fuel R&D Support at BETO

Josh Messner, Systems Development & Integration
Technology Manager

3/15/2022



Outline

- I. Bioenergy Technologies Office Overview**
- II. Biofuels for Marine Use Progress to Date**
- III. Collaborations**
- IV. Future Work**
- V. Questions**

BETO Mission, Vision, and Strategic Goals



A thriving and sustainable bioeconomy fueled by innovative technologies

Developing transformative and revolutionary sustainable bioenergy and coproduct technologies for a prosperous nation

Develop industrially relevant technologies to enable domestically produced biofuels, biopower, and coproducts

BETO Program Areas

Feedstock
Technologies



Advanced
Algal Systems



Conversion
Technologies



Systems
Development
and Integration



Data, Modeling,
and Analysis



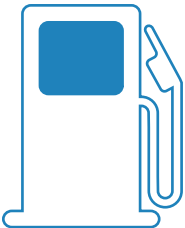
1 Billion

dry tons of sustainable biomass
has the potential to:

Produce

60 Billion

gallons of
renewable, low-
carbon fuels



Produce

40 Billion

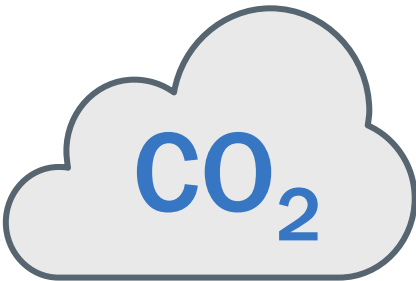
pounds of bio-based
chemicals and
bioproducts



Reduce

450 million

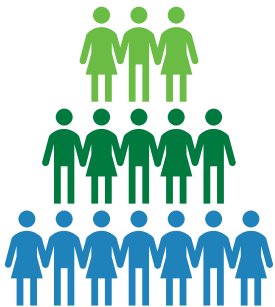
metric tons of
greenhouse gases
per year



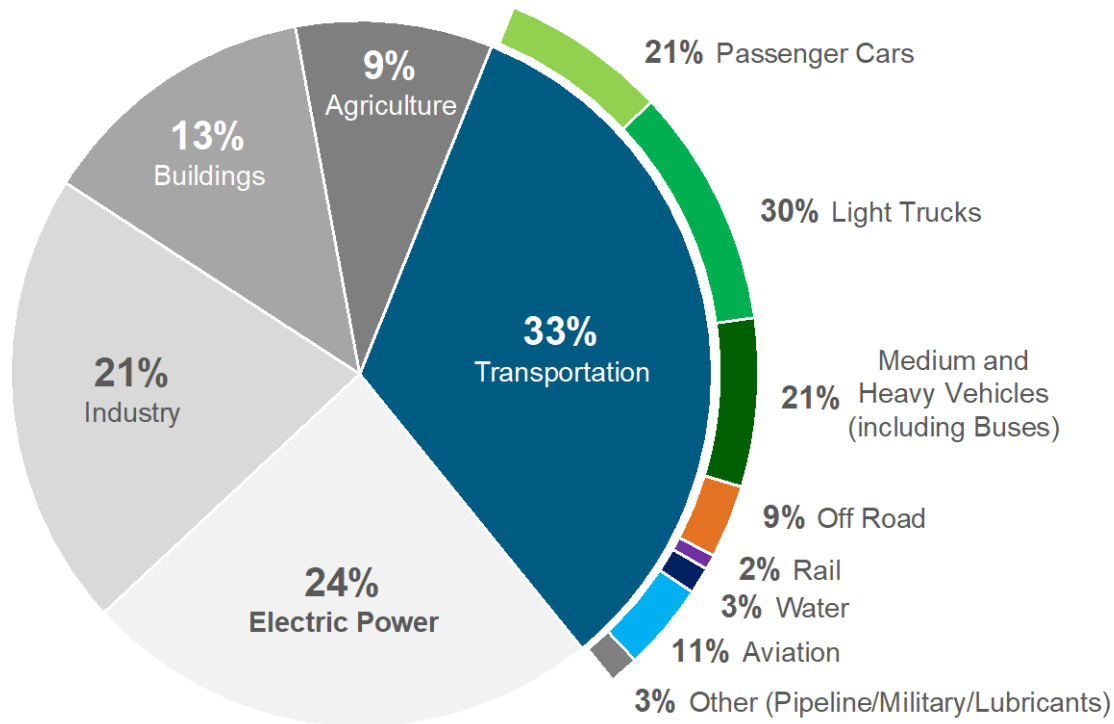
Produce

1 million

direct jobs



2019 U.S. GHG Emissions



Aviation and water include emissions from international bunker fuels. Fractions may not add up to 100% due to rounding.

1 Billion Tons of Biomass = 450-500 MMTons CO₂ reduced annually across multiple sectors

Marine Sector:

- 3% of U.S. transportation sector, totaling 1% of U.S. greenhouse gas (GHG) emission
- Does not include Particulate Matter (PM_{2.5}) emissions

Transportation Sector: Passenger Cars, Air, Marine, Rail **12.6% GHG emissions (37% of sector)**

- Electrification of passenger cars, light, medium, and some heavy vehicles
- Hard to electrify: Aviation, marine, rail, off-road
 - Biofuels are a strong contender

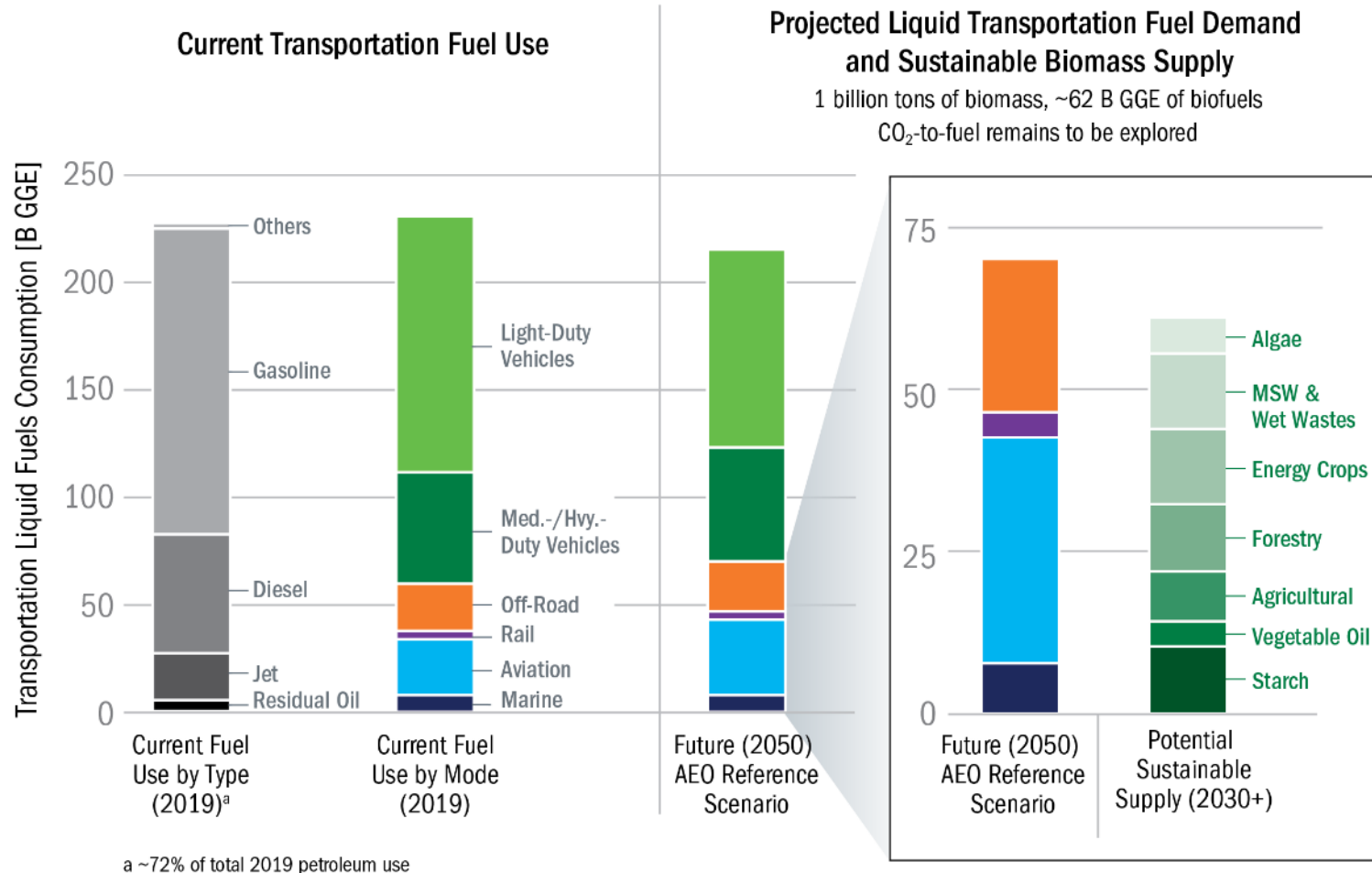
Industrial Sector: Chemicals 5.5% GHG emissions (19% of sector)

- Increased production of biobased direct displacement chemicals as well as performance-enhanced bio-based chemicals

Agricultural Sector: 9% GHG Emissions

- Healthy forests, sustainable agriculture, manure management

Biomass Budgeting



AEO = annual energy outlook | GGE = gasoline gallon equivalent | MSW = municipal solid waste

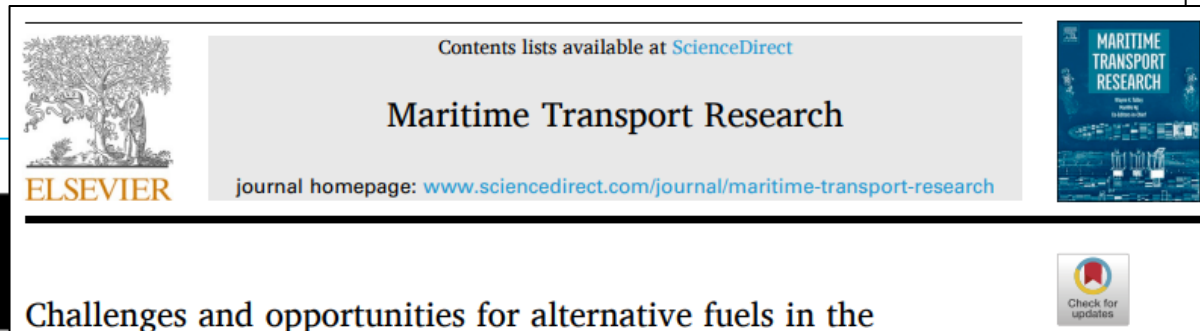
Develop and demonstrate technologies to cost-effectively decarbonize "hard-to-electrify" modes of transportation (aviation and marine industry)

Goals:

- Continue R&D to enable competitive fuel cost of multiple feedstock conversion paths with >70% CO₂ emission reduction
- Demonstrate technologies to improve life cycle GHG emissions of 17B gal/year corn-ethanol industry up to >70% reduction.

Marine Biofuels Accomplishments to Date

- Baseline fuels
- Fuel Options
- Life Cycle Analysis
- Economic Analysis
- Environmental Benefits
- R&D Challenges and Opportunities
- Port Logistics



Challenges and opportunities for alternative fuels in the maritime sector

Anthony Foretich^a, George G. Zaimes^b, Troy R. Hawkins^b, Emily Newes^{a,*}

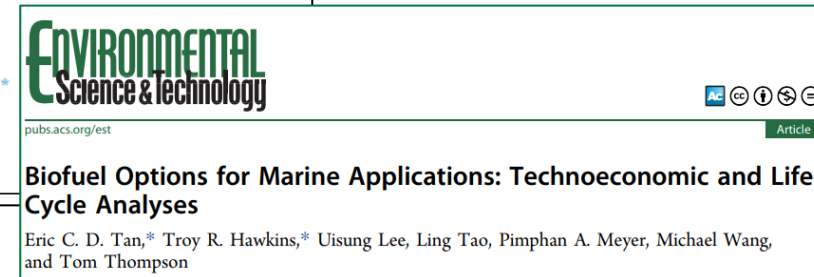
^a National Renewable Energy Laboratory, 15013 Denver West Blvd., Golden, Colorado 80401, United States

^b Energy Systems Division, Argonne National Laboratory, 9700 South Cass Avenue, Lemont, Illinois 60439, United States

Adoption of Biofuels in the Shipping Industry: A Long-Term Price and Scalability Assessment

Eric C. D. Tan, Kylee Harris, Stephen Tiff, Darlene Steward, and Chris Kinchin

National Renewable Energy Laboratory



Understanding the Opportunities of Biofuels for Marine Shipping



ORNL/TM-2018/1080

Mike Kass¹
Zia Abdullah²
Mary Biddy²
Corinne Drennan³
Troy Hawkins⁴
Susanne Jones³
Johnathan Holladay³
Doug Longman⁴
Emily Newes²
Tim Theiss¹
Tom Thompson⁵
Michael Wang⁴

¹Oak Ridge National Laboratory

²National Renewable Energy Laboratory

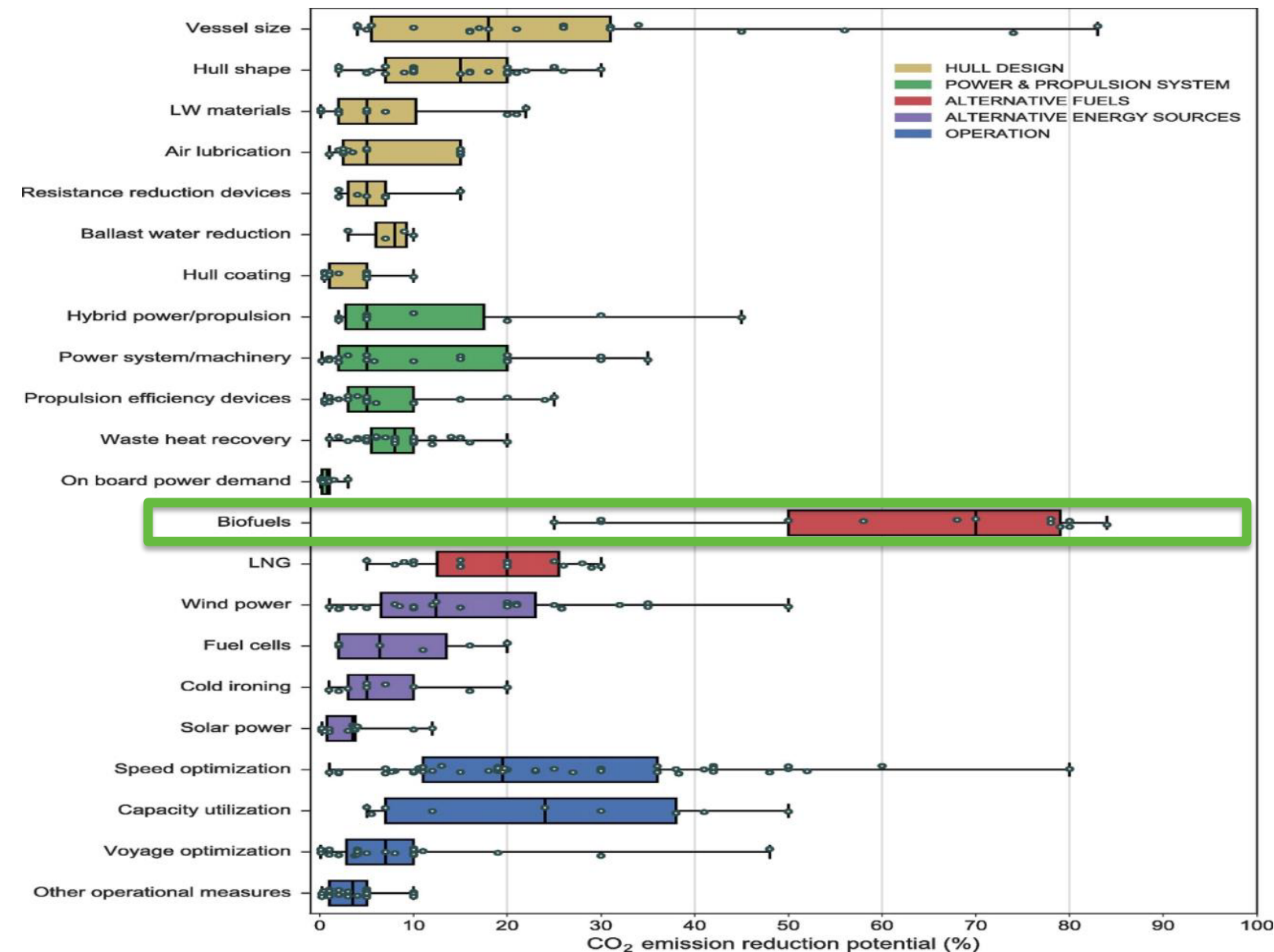
³Pacific Northwest National Laboratory

⁴Argonne National Laboratory

⁵US Maritime Administration

December 2018

Systems Thinking is Needed



Evert A. Bouman, et al., State-of-the-Art Technologies, Measures, and Potential for Reducing GHG Emissions from Shipping – A Review, <https://doi.org/10.1016/j.trd.2017.03.022>, <http://www.sciencedirect.com/science/article/pii/S1361920916307015>

Marine Biofuels Progress to Date

Many feedstocks

- Lignocellulosic (wood, grasses, ag residues)
- **Wet waste and bio-solids**
- Municipal solid waste (MSW)

Many fuel

- Hydrocarbon distillates drop-ins
 - e.g., Renewable diesel
- Biogas
- Methanol
- **Bio-crudes**
- **Bio-oils**

Vary in cost, quality, volumes, and uses

- Direct diesel replacements
- Residual replace for ocean going vessels
- Potential for methanol pilot fuel



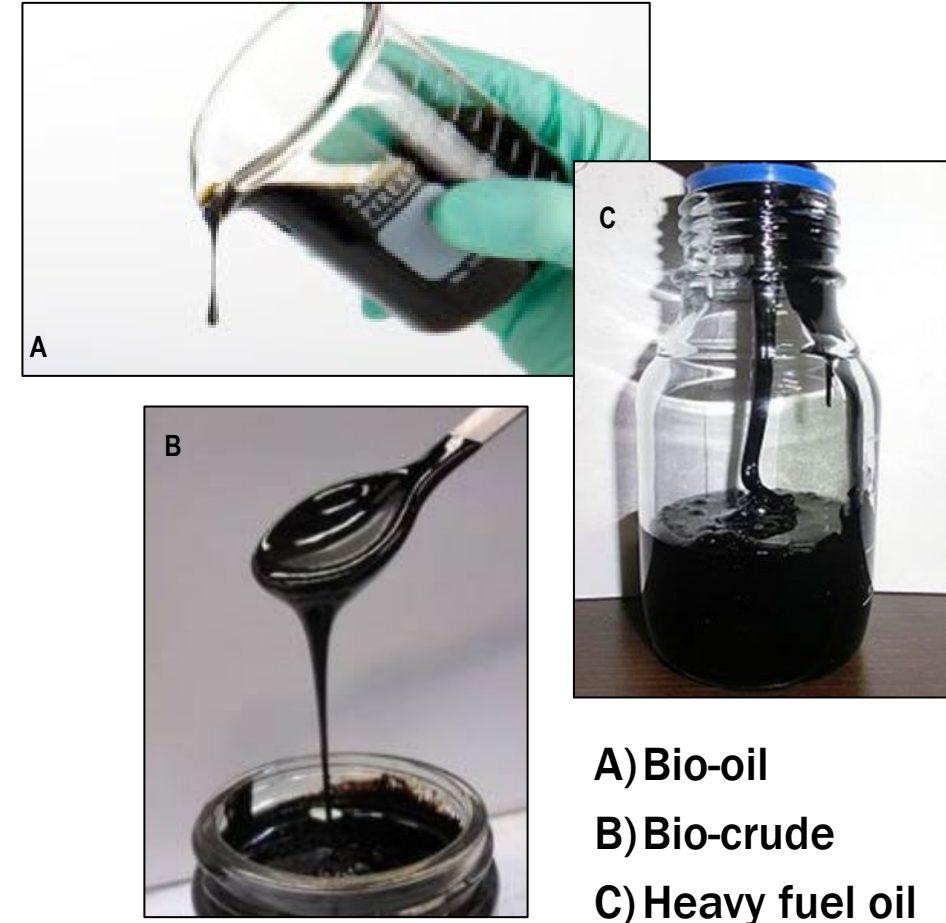
Hydrothermal Liquefaction Skid at PNNL



Thermochemical Process Development Unit at NREL

Marine Biofuels Progress to Date

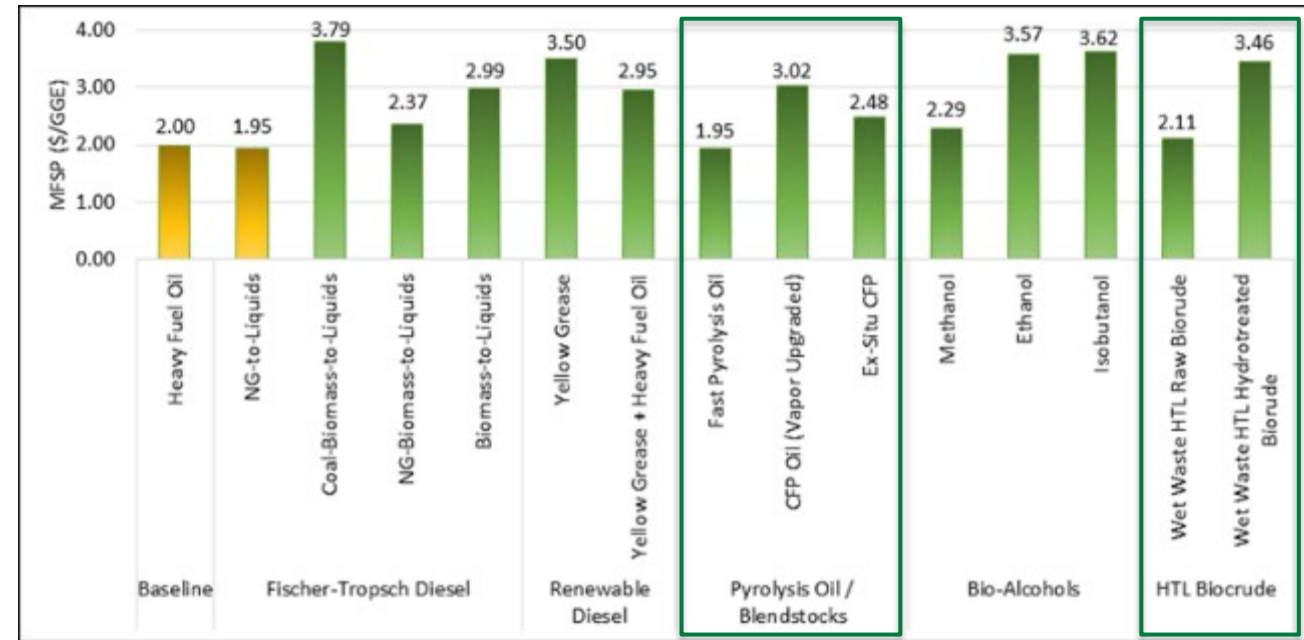
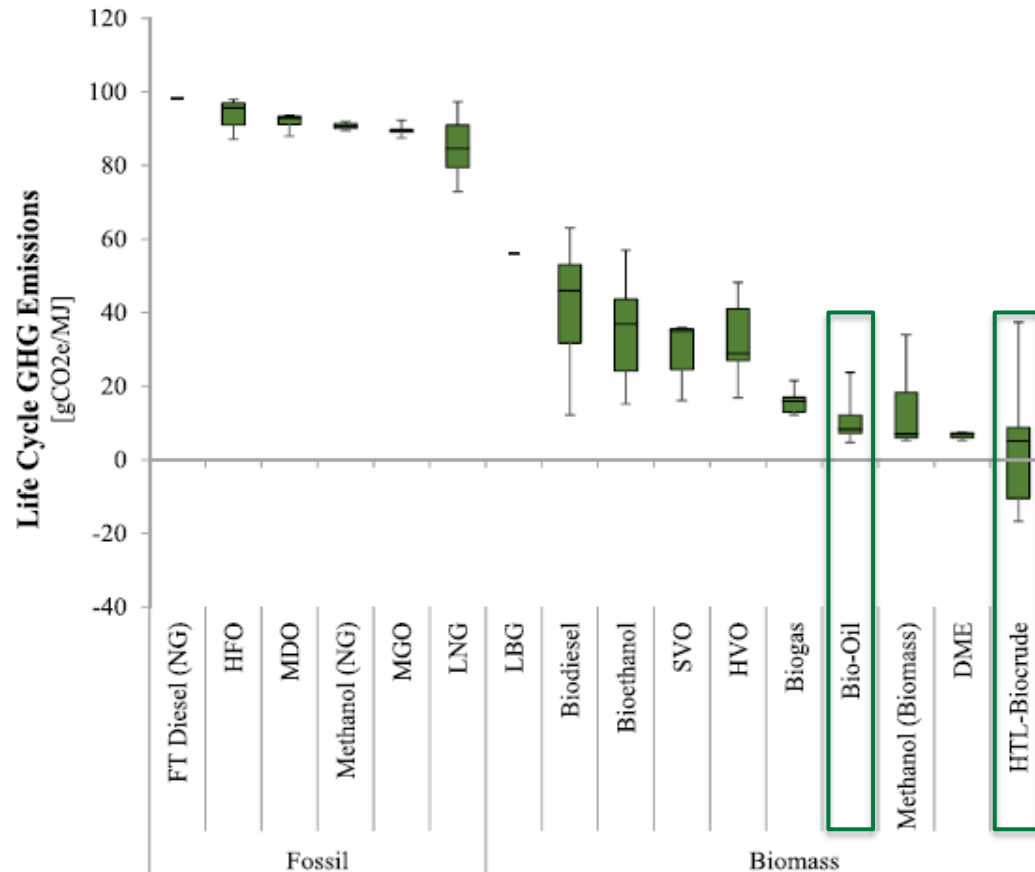
- **Focus on large ocean-going vessels**
 - Smaller vessels can more easily utilize other energy sources (electric/hydrogen, etc.)
- **Heavy fuel oil (HFO) replacing biofuels / blends**
 - Bio-oil
 - Bio-crudes
- **Biodiesels and renewable diesels are currently available**
 - Only part of the solution
 - Potentially have global LCA, TEA, and availability risks
- **Based on techno-economic analysis (TEA), life cycle analyses (LCAs), characterization data**



Images courtesy of IEA Bioenergy Task 34 and PNNL

Marine Biofuels Progress to Date

- GHG reduction potential is good
- Costs need to be reduced
- Drop-in/blending options



- Environmental justice considerations
 - Less pollutants near ports
 - Can be made from typical waste streams
- Energy security

Biofuels for Marine Use Potential

- Have great potential for CO₂e reduction on a full well-to-wake basis
- Environmental justice contributions
- Drop-in fuel potential
- Better for near- and mid-term goals
- Ability to utilize existing infrastructure or relatively lost retrofit costs

Biofuels for Marine Use Barriers

- One piece of the maritime carbon reduction puzzle
- But are currently costly and have volume limitations
- Potential land-use change for feedstock production
- Need industry buy-in



Crosscutting EERE Office Effort

Hydrogen and Fuel Cell Technologies Office, Vehicles Technologies Office

- Developing hard to electrify strategies
 - Aviation, marine, rail, and heavy-duty fuel

Intra- and Inter-Agency Efforts

U.S. Department of Transportation (DOT) Maritime Administration, DOT Volpe Center, State Department, DOE Loan Programs Office, DOE Arctic Energy Office

- Aligning with a whole-of-government approach

International Efforts

Mission Innovation: Zero-Emissions Shipping

- The Goal: For ships capable of running on zero-emission fuels to make up at least 5% of the global deep-sea fleet by 2030

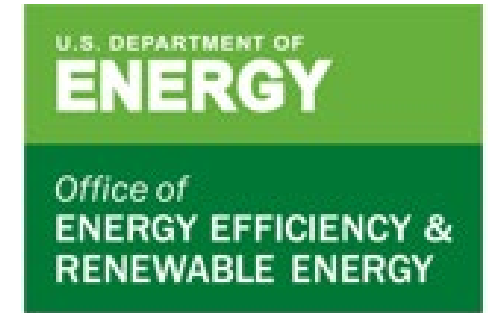
International Energy Agency (IEA): Task 39

- Biofuels for the marine shipping sector

Industry Engagement

Lab Led External Advisory Board

- Made up of over 16 industry members
- Helps give perspective to industry's thinking



More detailed LCA and TEA

- Optimal biofuel production pathways and blend levels
- Further refine the GREET marine fuel module
- Conducting LCAs for apples-to-apples comparison
 - Green ammonia, green methanol, green hydrogen, and CO₂ derived fuels
- Temporal considerations

Global feedstock resource evaluation

- Resource assessments
- Green Corridor analyses

Evaluate pathways that can serve both aviation and marine sectors



Further investigation of fuel properties

- Determine fuel upgrading needed for bio-oils/bio-crudes
- Determine the optimum blend levels
- Bunkering logistics

Process scale-up

- Produce meaningful quantities, evaluate at meaningful scale
- Eventual engine/vessel testing

Environmental justice

- Ensure equity

Mechanisms for continued work

- Continue to work with national laboratories
- Leverage interagency collaborations
- Leverage Mission Innovation work
- Scale-up funding opportunities announcements



Are You Interested in Becoming a BETO Reviewer?



Wanted:

Subject matter experts to review research funding applications.

Applying is as easy as 1-2-3.

Fact Sheet:

energy.gov/eere/bioenergy/interested-becoming-beto-project-reviewer

EERE Funding Opportunity Exchange:

eere-exchange.energy.gov/Registration.aspx

Josh Messner
Technology Manager
joshua.messner@ee.doe.gov

Learn more about BETO: energy.gov/bioenergy



Resources

Understanding the Opportunities of Biofuels for Marine Shipping

- <https://info.ornl.gov/sites/publications/Files/Pub120597.pdf>

Adoption of Biofuels for the Marine Shipping Industry: A Long-Term Price and Scalability Assessment

- <https://www.nrel.gov/docs/fy21osti/78237.pdf>

Biofuel Options for Marine Applications: Techno-Economic and Life Cycle Analyses

- <https://pubs.acs.org/doi/10.1021/acs.est.0c06141>

Challenges and Opportunities for Alternative Fuels in the Maritime Sector

- <https://www.nrel.gov/docs/fy21osti/78747.pdf>



Feedstock



Algae



Conversion



Systems



Data



Dr. Troy Hawkins
Fuels and Products Group Leader
Argonne National Laboratory

U.S. DEPARTMENT OF
ENERGY

Office of
ENERGY EFFICIENCY &
RENEWABLE ENERGY

Life Cycle Analysis of Alternative Fuels for Maritime Shipping

Troy R. Hawkins

Argonne National Laboratory



Contributors: Collaboration Across Laboratories and Agencies

- **U.S. DOE EERE Bioenergy Technologies Office**

- Joshua Messner
- Jim Spaeth
- Zia Haq
- David Hume
- Remy Biron
- Seth Menter

- **U.S. DOE EERE Vehicle Technologies Office**

- Kevin Stork

- **U.S. Department of Transportation (DOT) Maritime Administration**

- Tom Thompson
- Vasileios Tzelepis
- Daniel Yuska

- **Oak Ridge National Laboratory**

- Michael Kass
- Timothy Theiss
- Brian Kaul
- Paul Leiby
- Melissa Miller
- John Storey
- Rocio Uria Martinez

- **Argonne National Laboratory**

- Troy R. Hawkins
- George G. Zaimes
- Essam El-Hannouny
- Farhad Masum
- Uisung Lee
- Doug Longman
- Jaxon Stuhr
- Meltem Urgun-Demirtas
- Michael Wang

- **National Renewable Energy Laboratory**

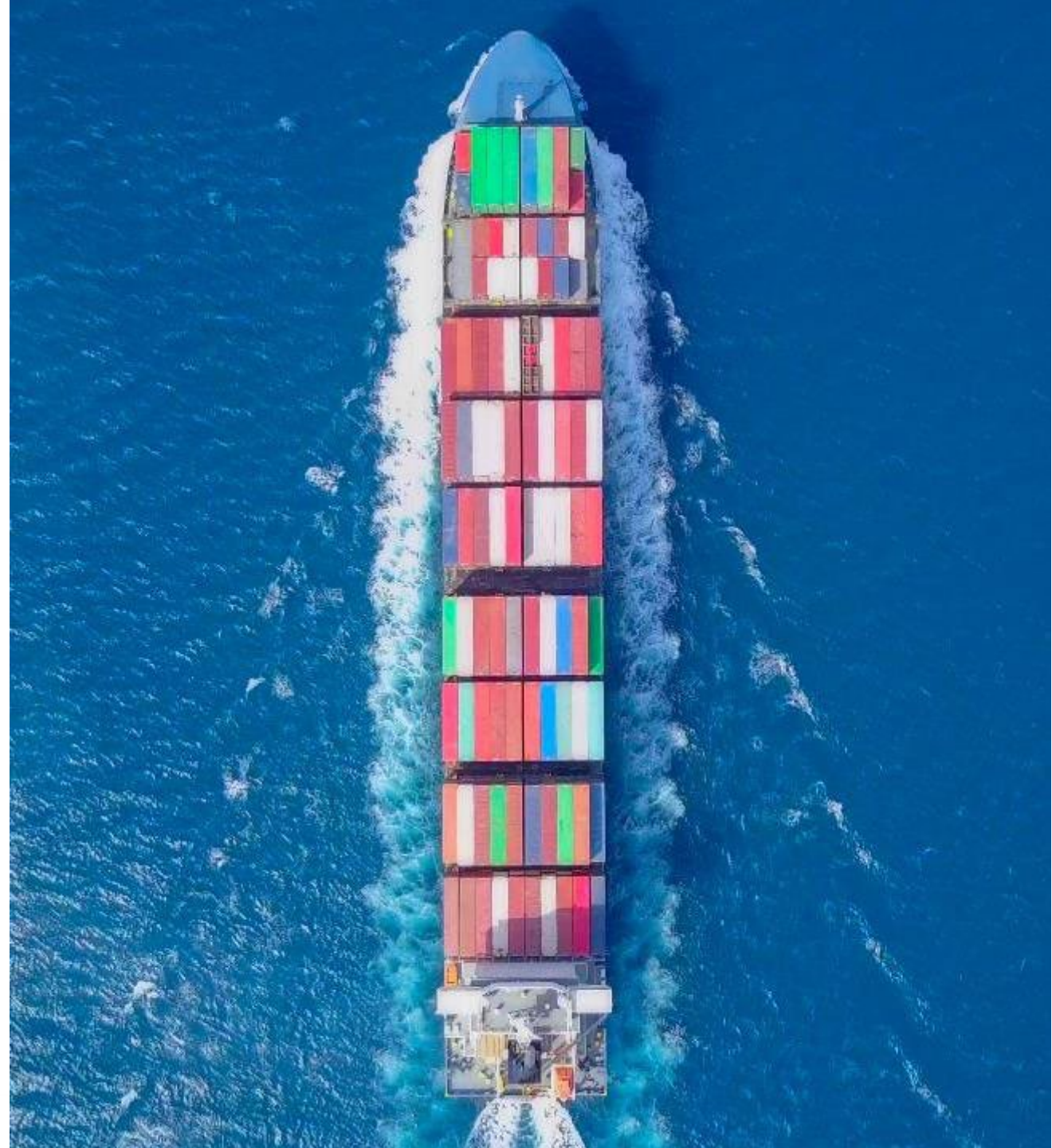
- Eric Tan
- Zia Abdullah
- Andres Avelino
- Abhijit Dutta
- Anthony Foretich
- Kristiina Iisa
- Kristi Moriarty
- Emily Newes
- Joshua Schaidle
- Ling Tao

- **Pacific Northwest National Laboratory**

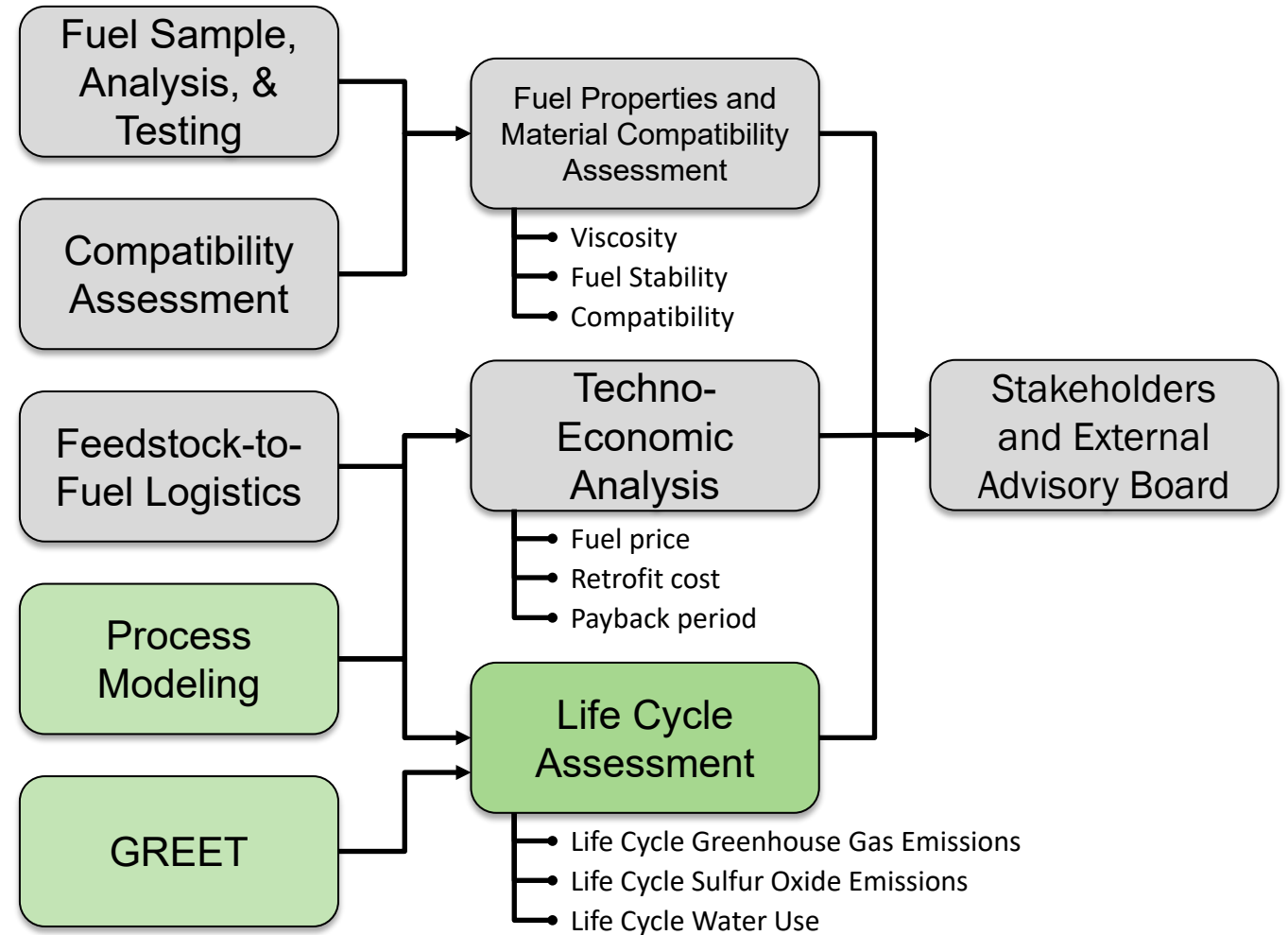
- Karthi Ramaswamy
- Shuyun Li
- Corinne Drennan
- Pimphan A. Meyer
- Mariefel Olarte
- Asanga Padmaperuma
- Jalal Askander
- John Holladay

Objective

Accelerate uptake of biofuels for maritime shipping with analysis and testing. Lay groundwork for biofuel demonstration.



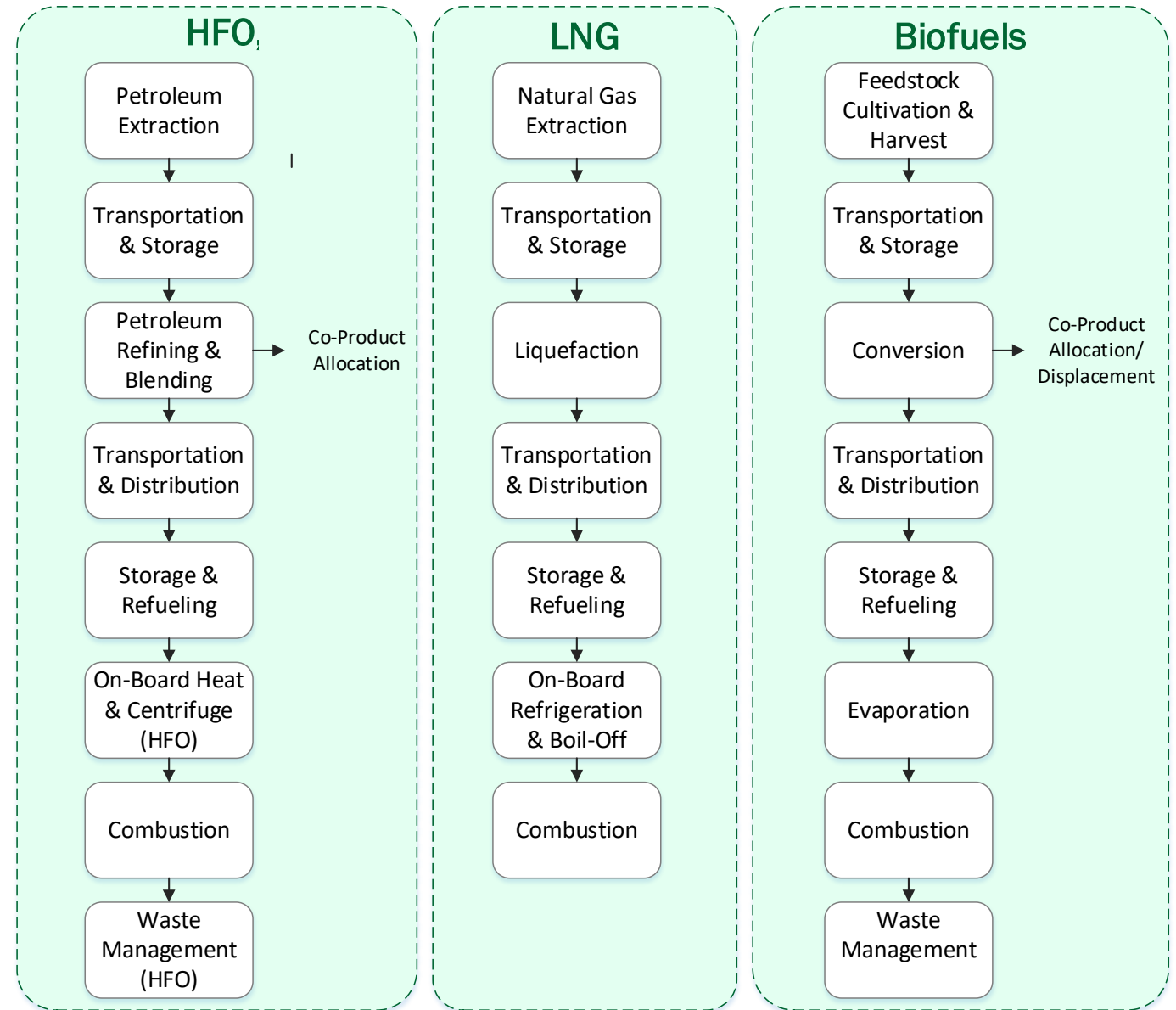
Bioenergy Technologies Office Multi-Laboratory Effort



Life Cycle Analysis

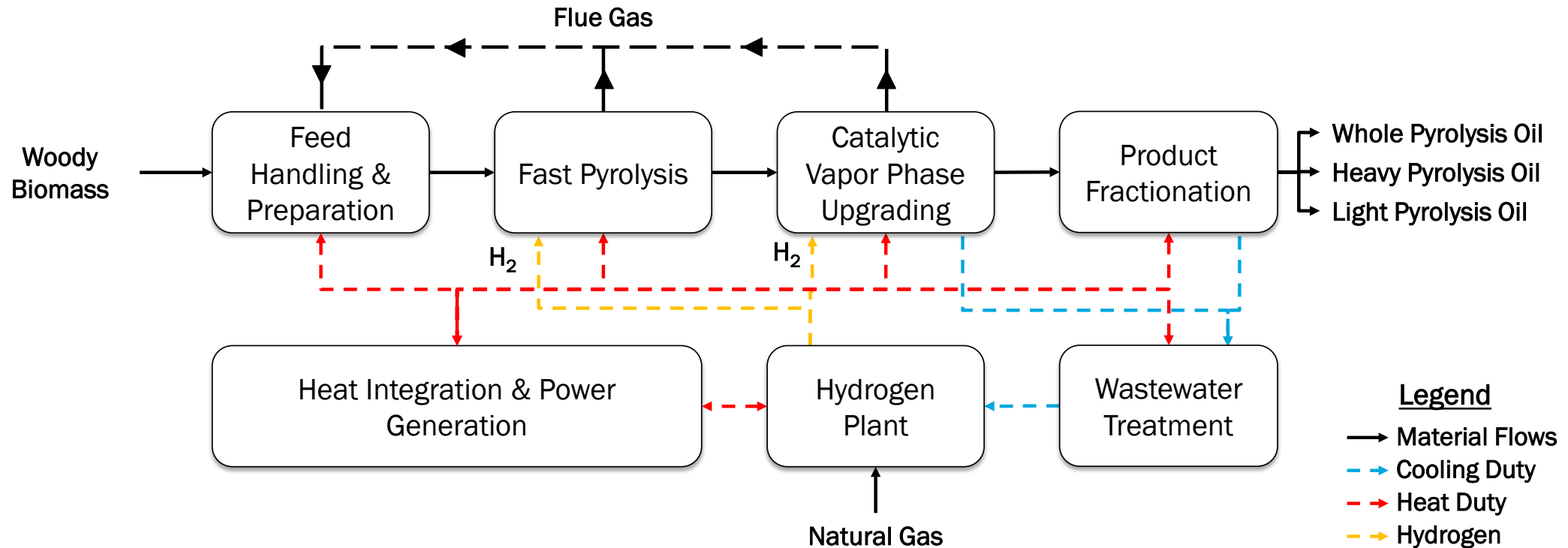
- Avoid burden shifting across supply chain segments
- Screen across potential environmental impacts
- Identify key drivers
- Compare on an apples-to-apples basis

HFO: heavy fuel oil; LNG: liquefied natural gas



Marine Bio-Oil Pathways

- **Catalytic fast pyrolysis**
- **Hydrothermal liquefaction of sludge and manure**
- **Fischer-Tropsch synthesis of landfill gas**
- **Lignin-ethanol oil**



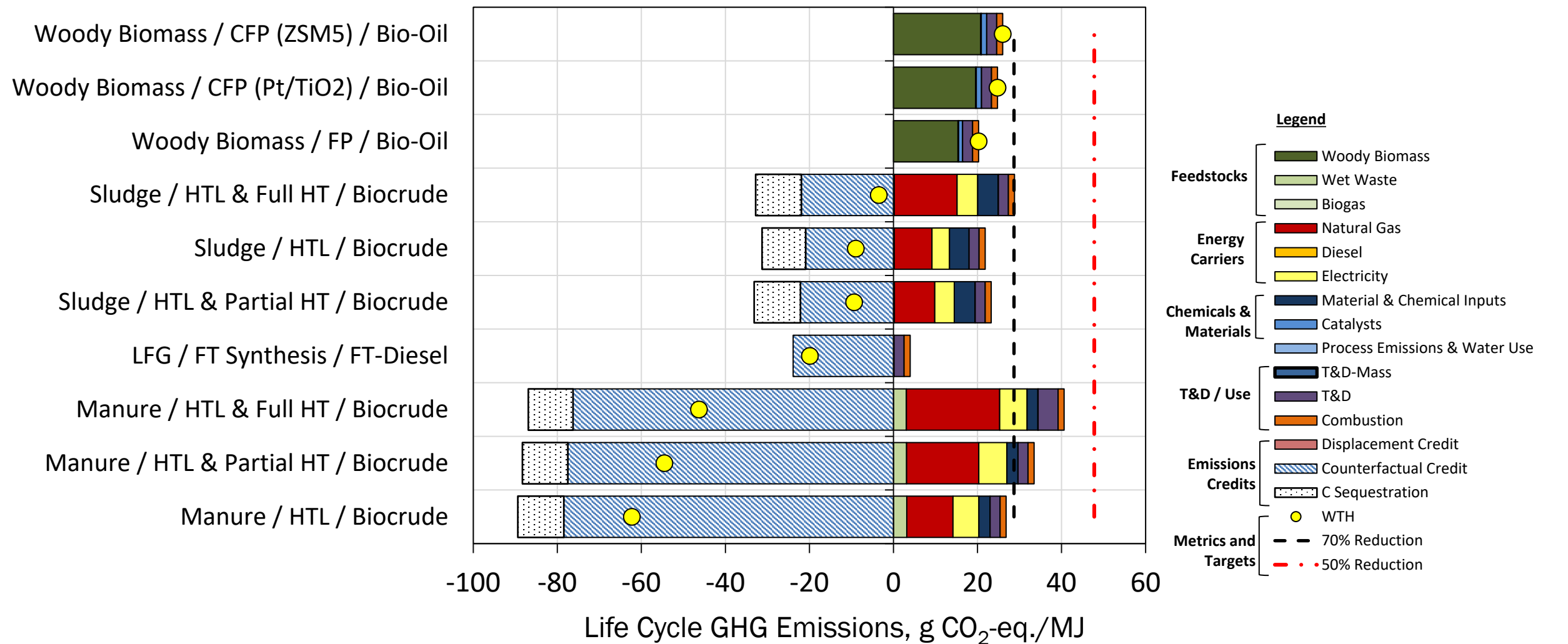
Greenhouse Gases, Regulated Emissions, and Energy Use in Technologies

- Tracks life cycle performance of fuels and transportation technologies
- **Over 50,000 registered users**
 - Distributed globally and across industry and research organizations
- **Used to support regulatory measures**
 - U.S. Environmental Protection Agency Renewable Fuels Standard
 - California Low Carbon Fuel Standard
 - International Civil Aviation Organization (ICAO)
 - Oregon Clean Fuels Program
- **Developed since 1995 with annual updates and expansions**
- **Long-term support from DOE**
 - Bioenergy Technology Office
 - Vehicle Technologies Office
 - Hydrogen Fuel Cell Technologies Office



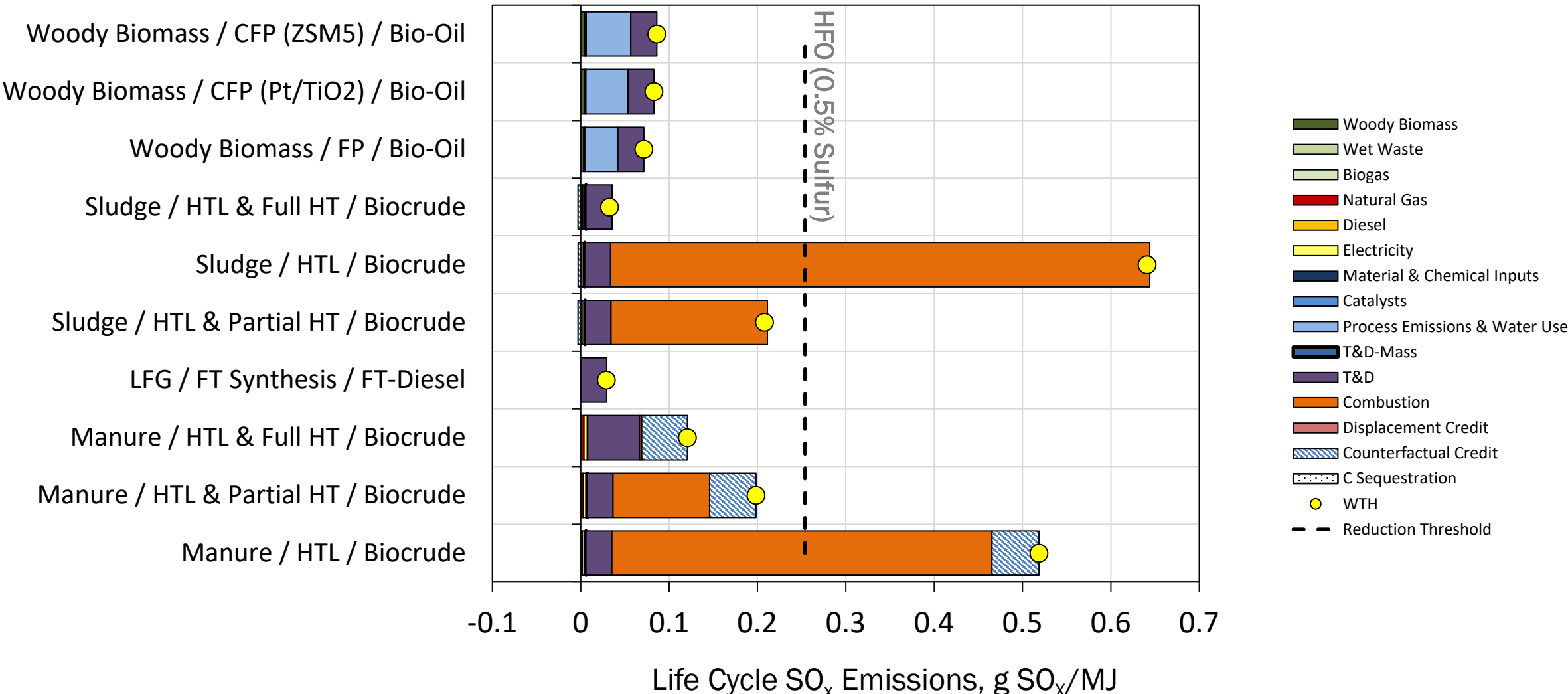
<https://greet.es.anl.gov/>

Marine Bio-Oils: Life Cycle Greenhouse Gas Emissions



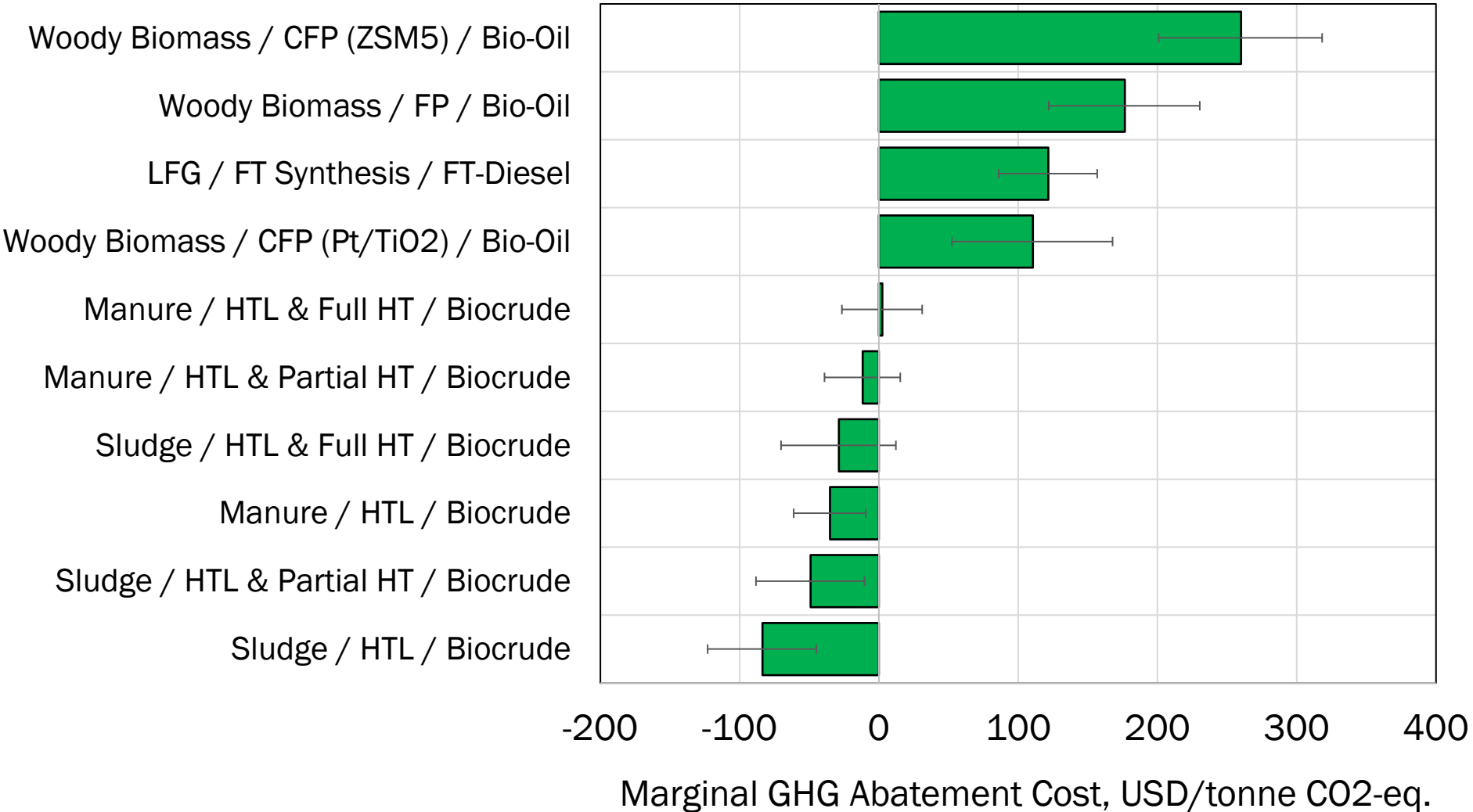
CFP: Catalytic Fast Pyrolysis; ZSM5: Zeolite Socony Mobil-5; TiO₂: Titanium Dioxide; FP: Fast Pyrolysis; HTL: Hydrothermal Liquefaction; HT: Hydrotreating; LFG: Landfill Gas; T&D: Transportation and Distribution; WTH: Well-to-Hull

Marine Bio-Oils: Life Cycle Sulfur Oxide Emissions



CFP: Catalytic Fast Pyrolysis; ZSM5: Zeolite Socony Mobil-5; TiO2: Titanium Dioxide; FP: Fast Pyrolysis; HTL: Hydrothermal Liquefaction; HT: Hydrotreating; LFG: Landfill Gas; T&D: Transportation and Distribution; WTH: Well-to-Hull

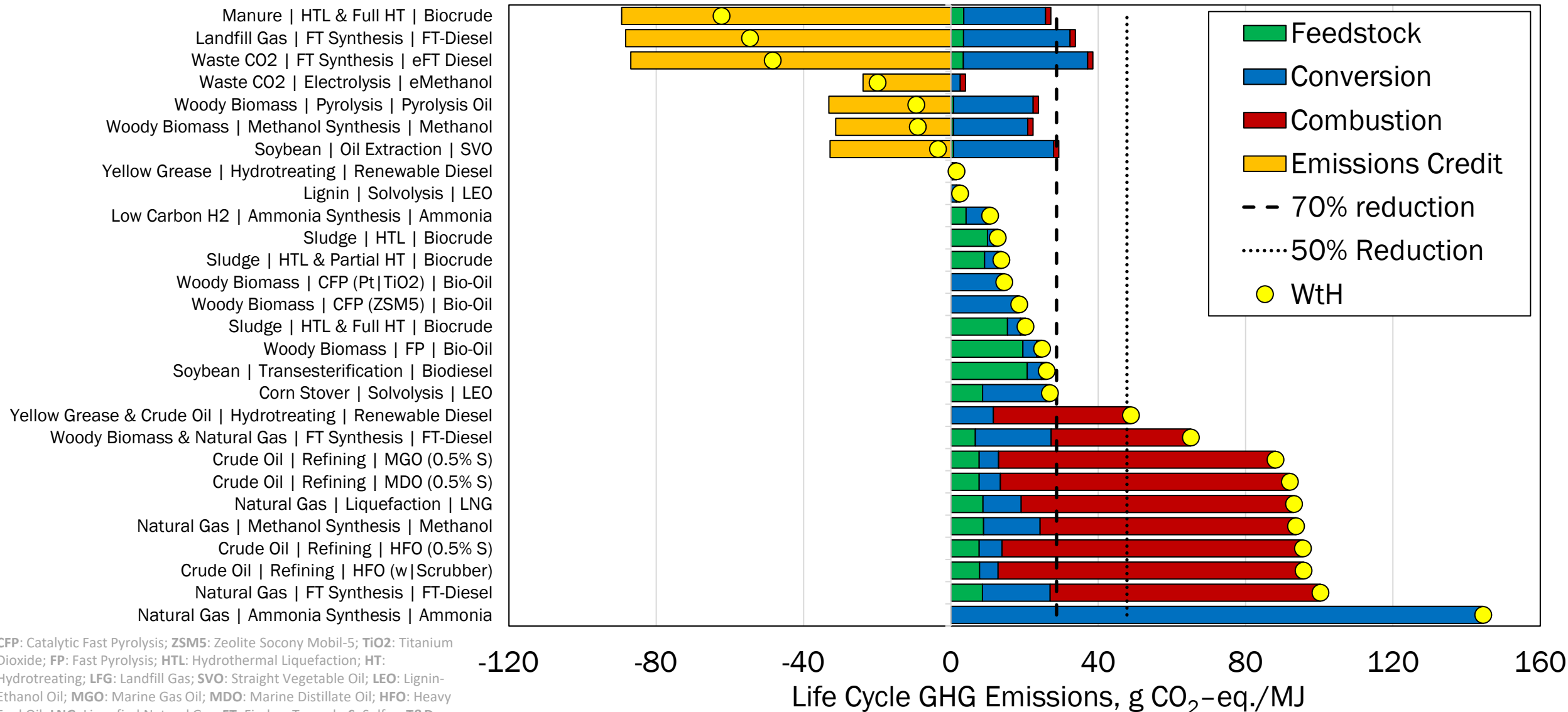
Marine Bio-Oils: Marginal GHG Abatement Cost



- -90 to 400 USD/tonne CO₂-eq.
- Waste HTL achieve negative MAC due to low prices
- California Low Carbon Fuel Standard credits recently ~150-200 USD/tonne CO₂-eq.

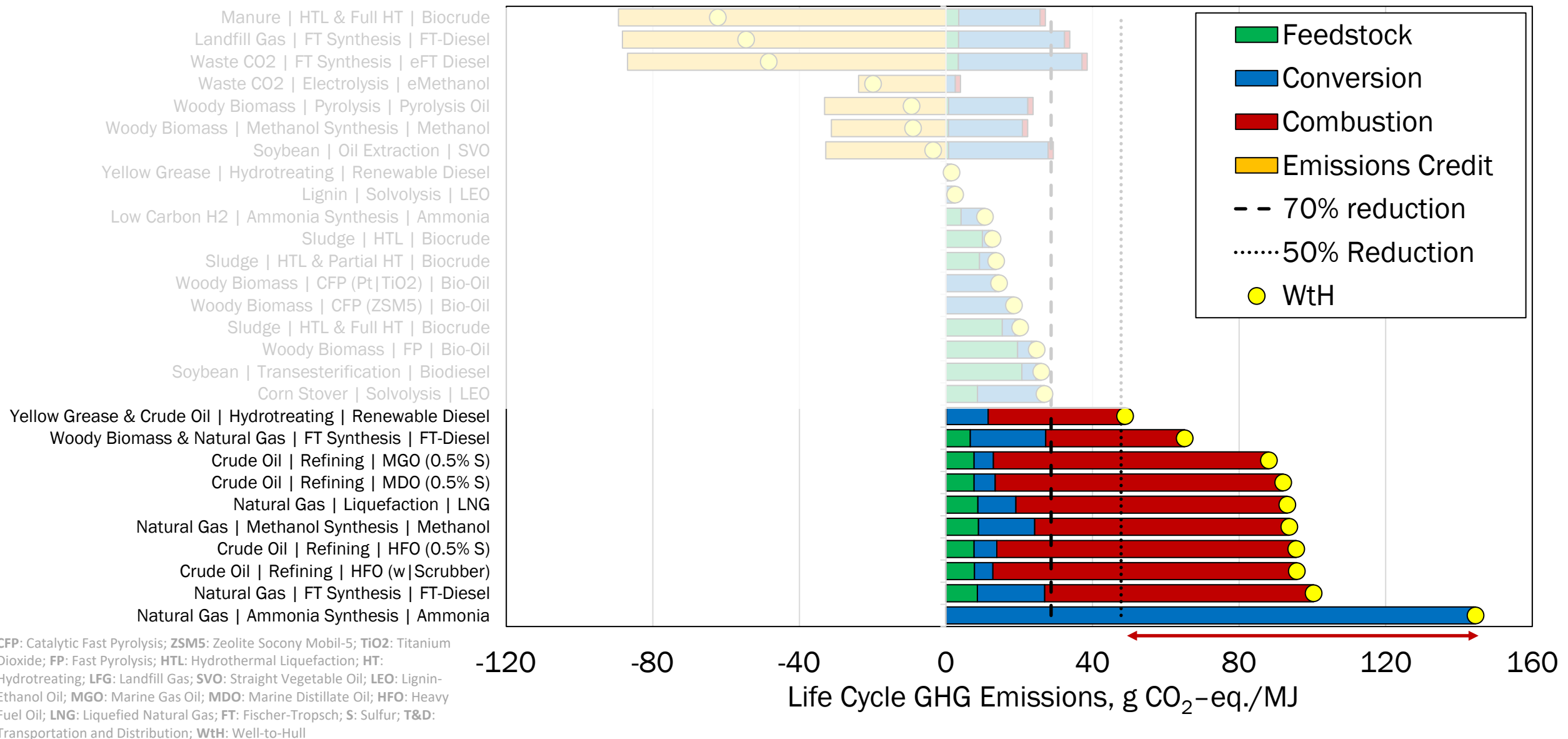
CFP: Catalytic Fast Pyrolysis; ZSM5: Zeolite Socony Mobil-5; TiO₂: Titanium Dioxide; FP: Fast Pyrolysis; HTL: Hydrothermal Liquefaction; HT: Hydrotreating; LFG: Landfill Gas; T&D: Transportation and Distribution; WTH: Well-to-Hull

Marine Fuel Alternatives: Life Cycle GHG Emissions

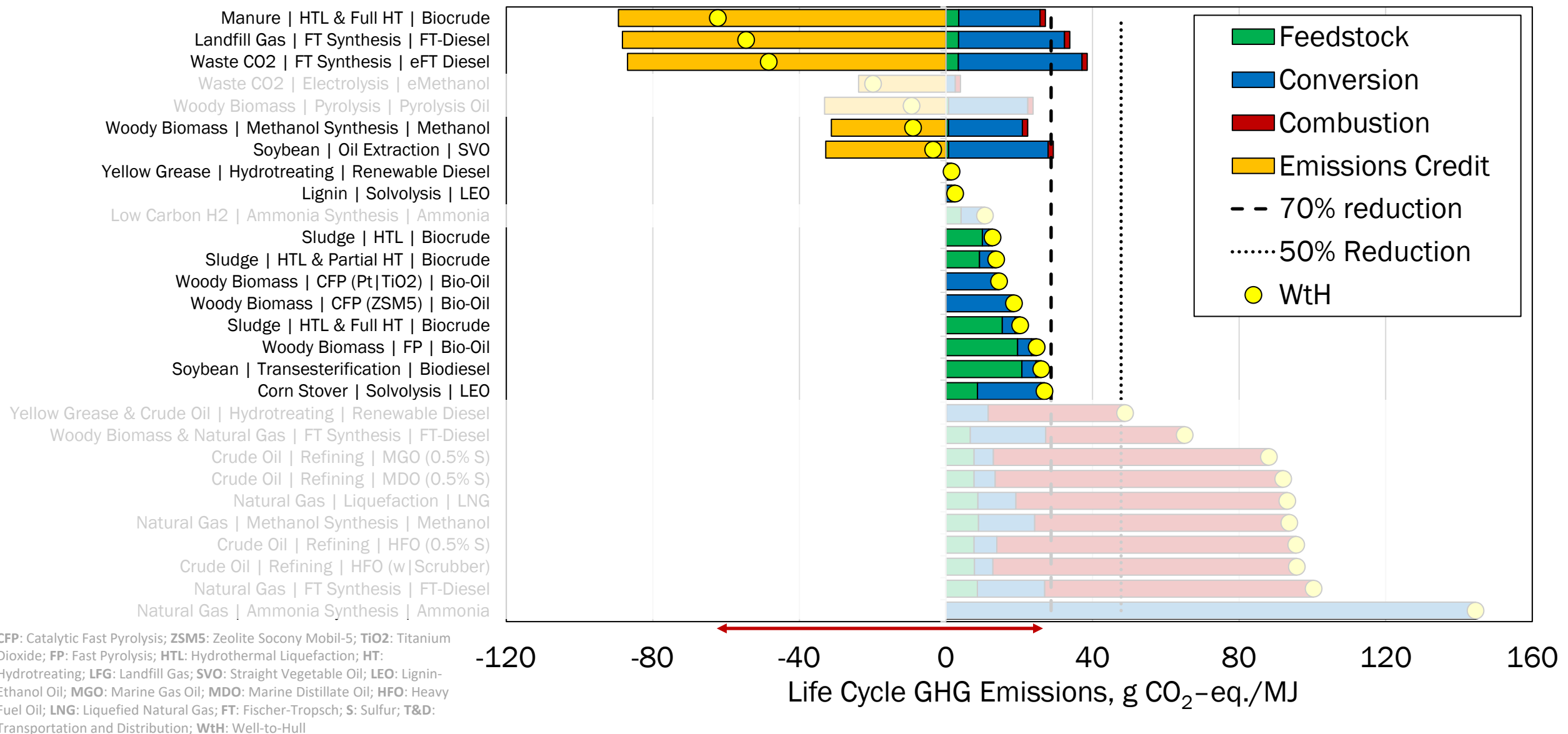


CFP: Catalytic Fast Pyrolysis; ZSM5: Zeolite Socony Mobil-5; TiO₂: Titanium Dioxide; FP: Fast Pyrolysis; HTL: Hydrothermal Liquefaction; HT: Hydrotreating; LFG: Landfill Gas; SVO: Straight Vegetable Oil; LEO: Lignin-Ethanol Oil; MGO: Marine Gas Oil; MDO: Marine Distillate Oil; HFO: Heavy Fuel Oil; LNG: Liquefied Natural Gas; FT: Fischer-Tropsch; S: Sulfur; T&D: Transportation and Distribution; WtH: Well-to-Hull

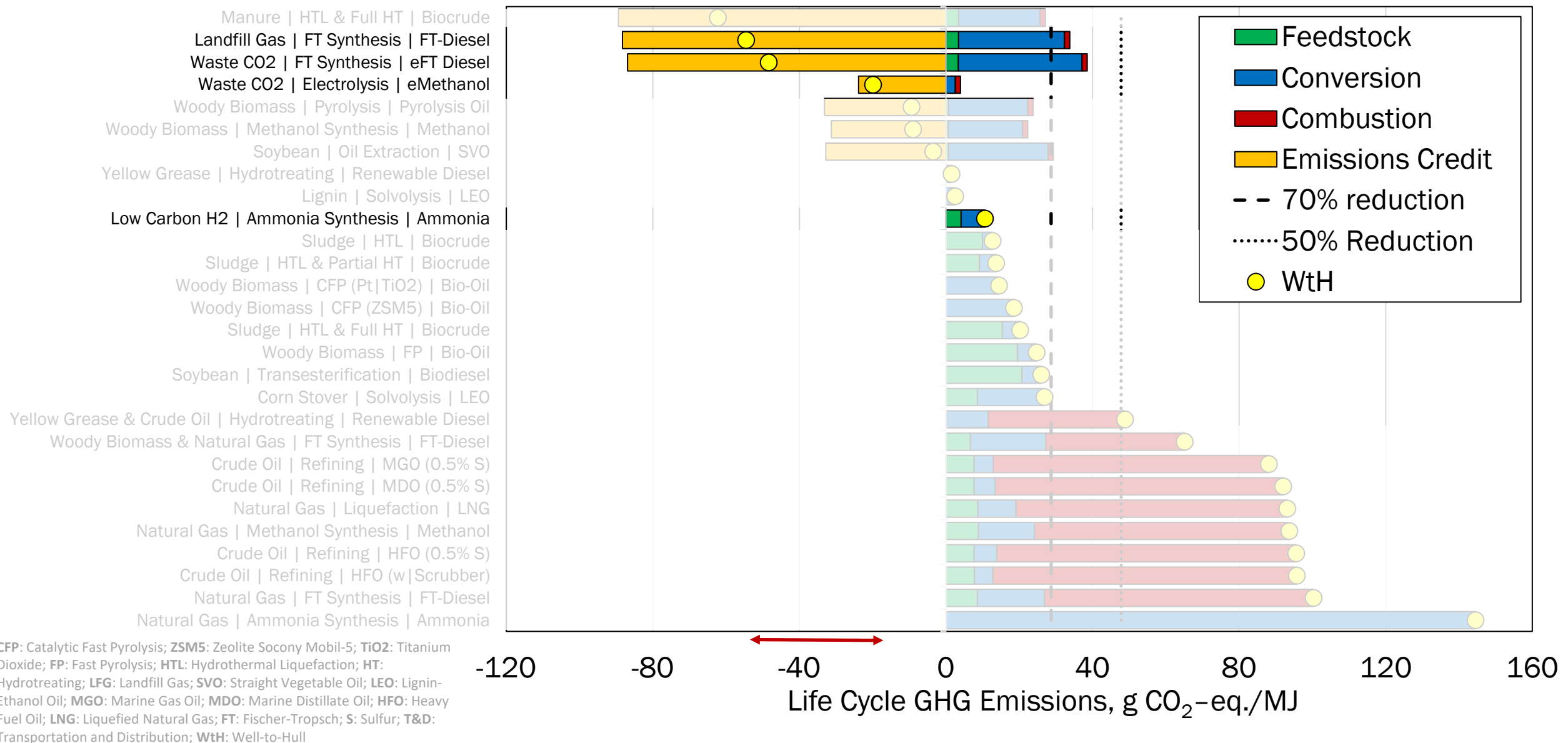
Fossil Fuels: Life Cycle GHG Emissions



Biofuels: Life Cycle GHG Emissions

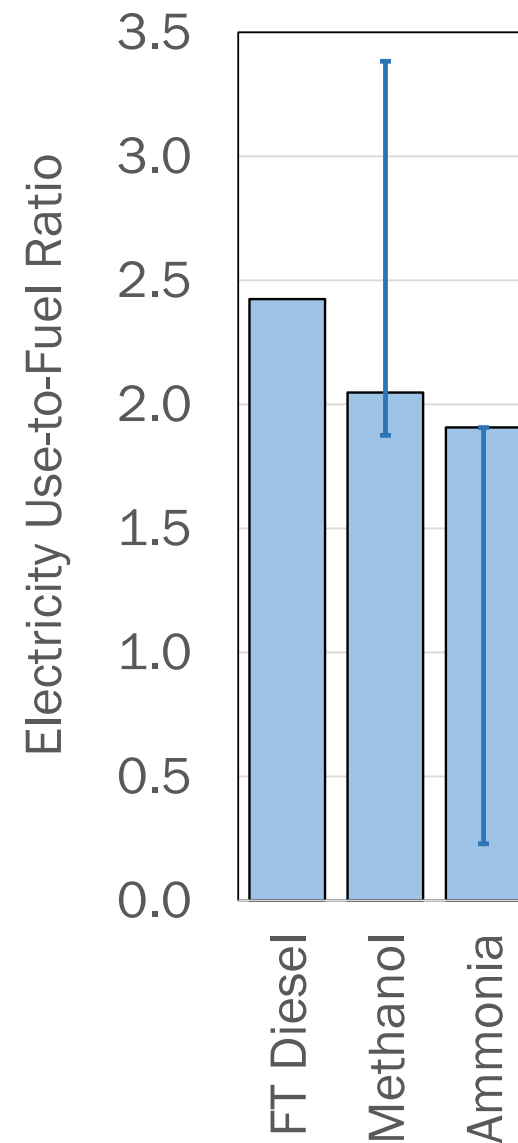


E-Fuels and Green Ammonia: Life Cycle GHG Emissions



E-Methanol, E-FT Diesel, and Green Ammonia

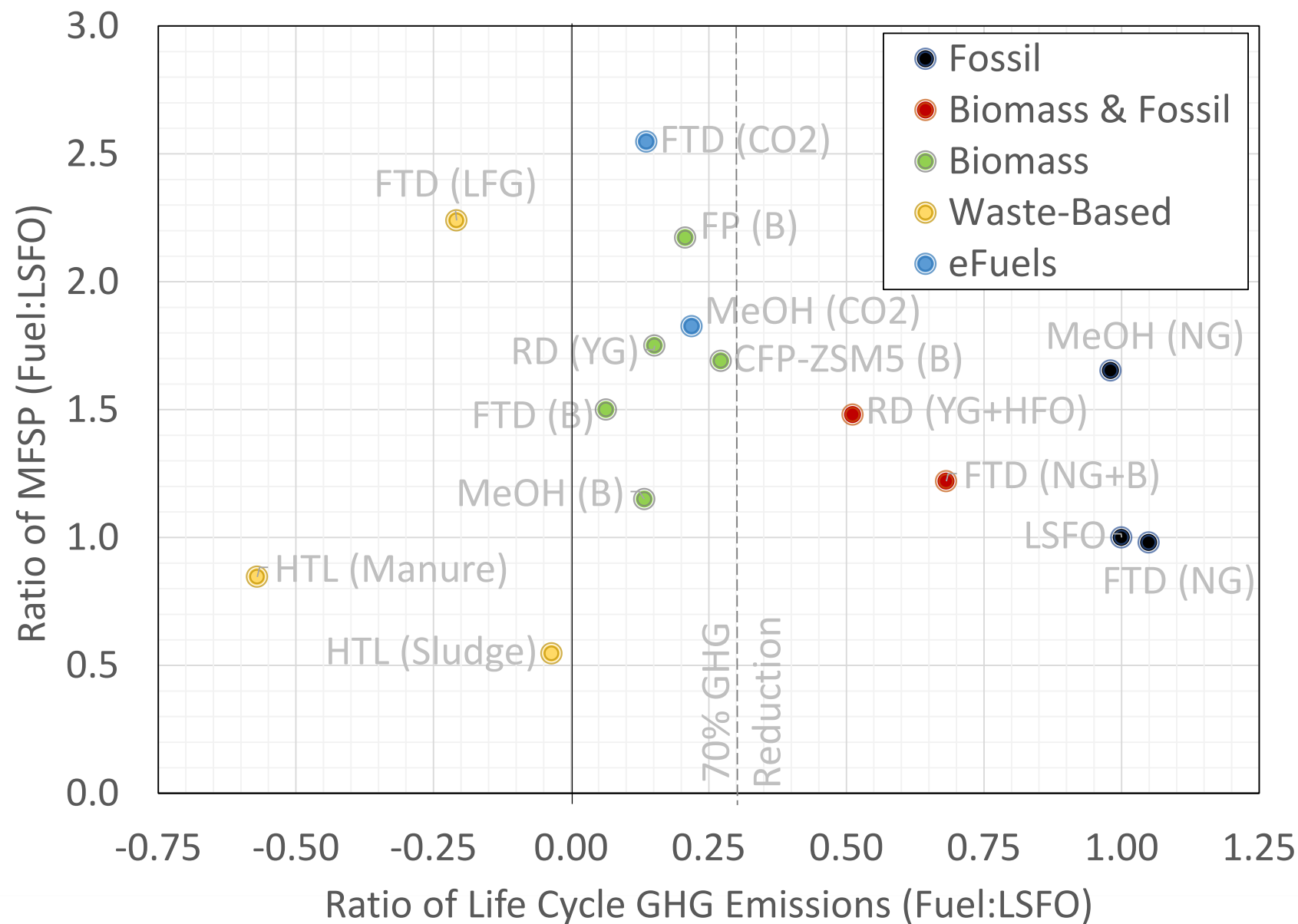
- Opportunity to use future low-carbon, low-cost electricity
- Potential compliment to bio-based pathways in the longer-term
- Research needed to better characterize ammonia as a fuel
- Significant electricity demand
 - Competing with other uses of renewable electricity
 - 30%–40% increase in global electricity demand



Multiple Promising Pathways: Greenhouse Gas and Cost

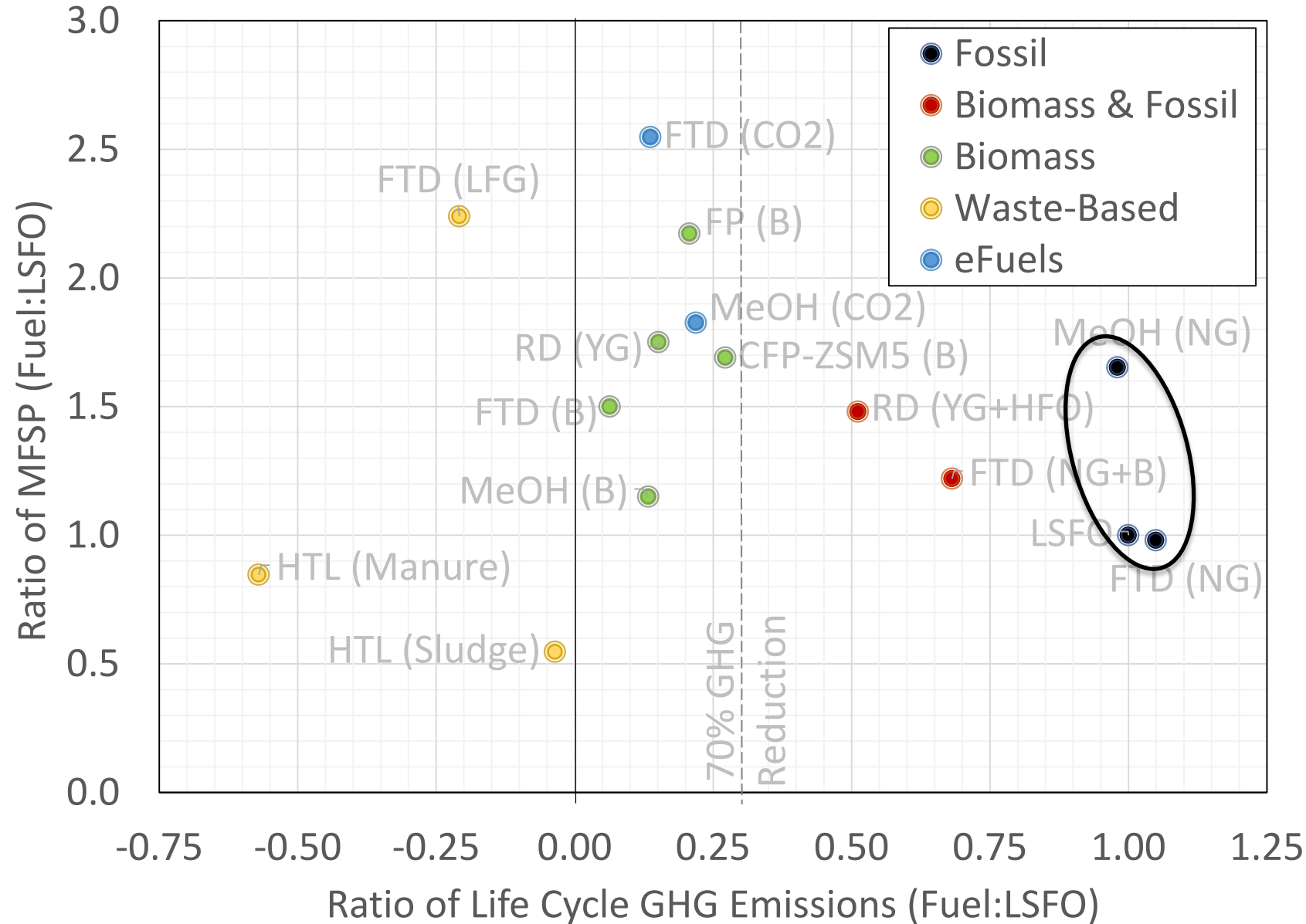
Comparing life cycle greenhouse gas emissions and minimum fuel selling price (MFSP) of marine fuel alternatives

Values are ratio of alternative fuel to conventional low sulfur fuel oil (LSFO)



Multiple Promising Pathways: Greenhouse Gas and Cost

Fossil fuels offer reasonable prices with greenhouse gas drawbacks

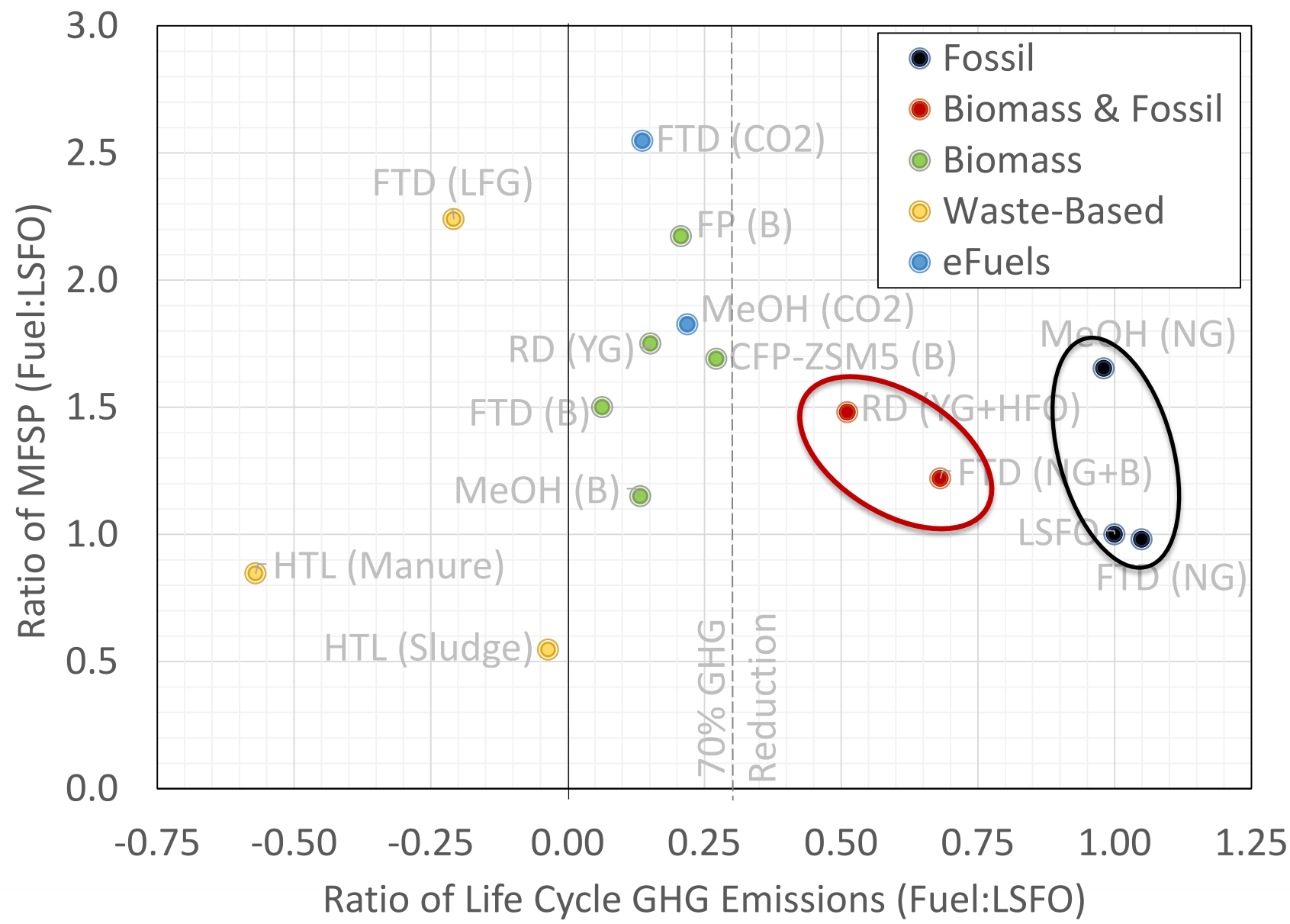


Multiple Promising Pathways: Greenhouse Gas and Cost

Select fossil-biomass “co-feed” pathways offer greenhouse gas and price compromise

Potential bridge to deeper decarbonization

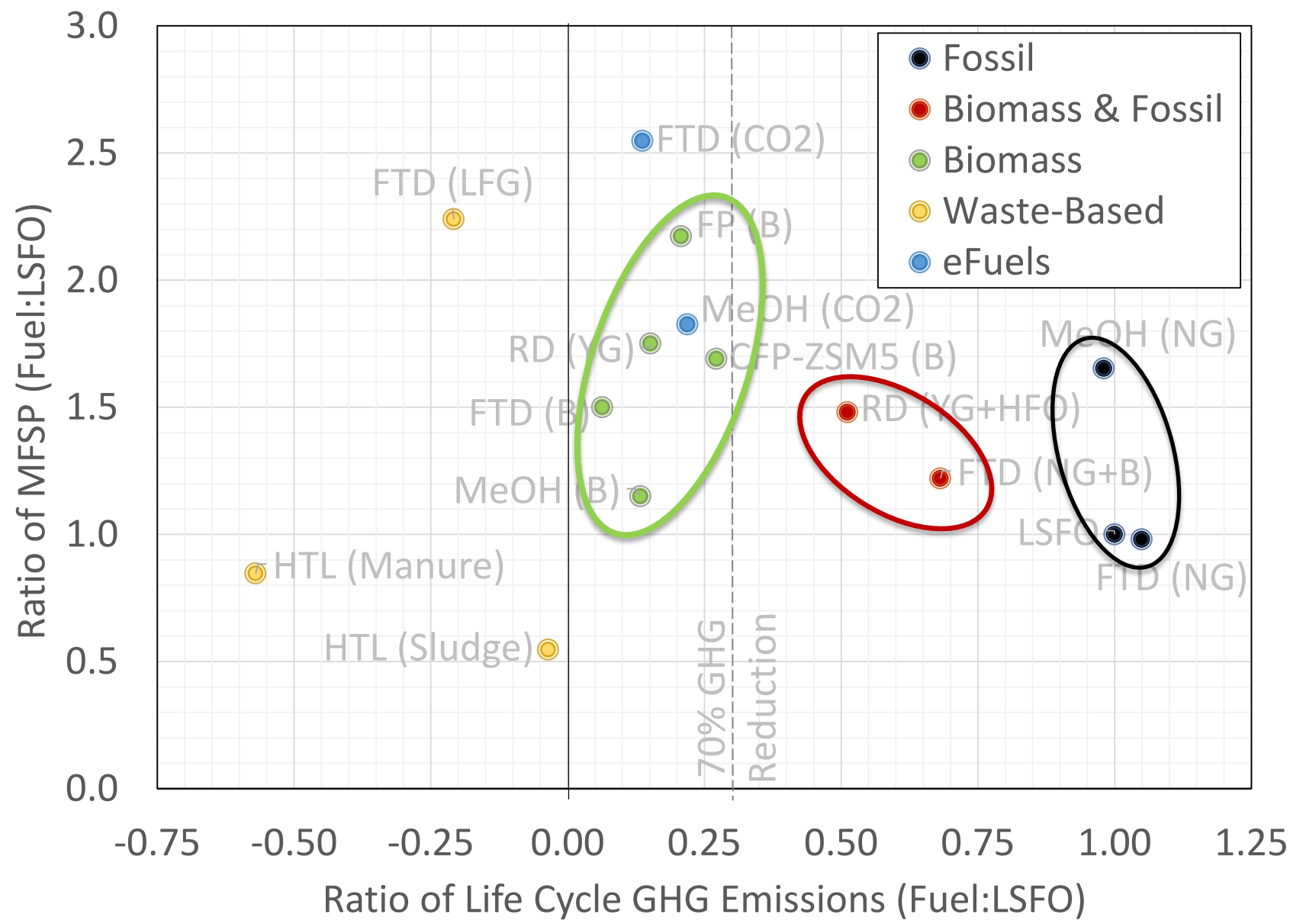
Higher marginal cost of greenhouse gas abatement



Multiple Promising Pathways: Greenhouse Gas and Cost

Biofuels can achieve significant greenhouse gas reductions

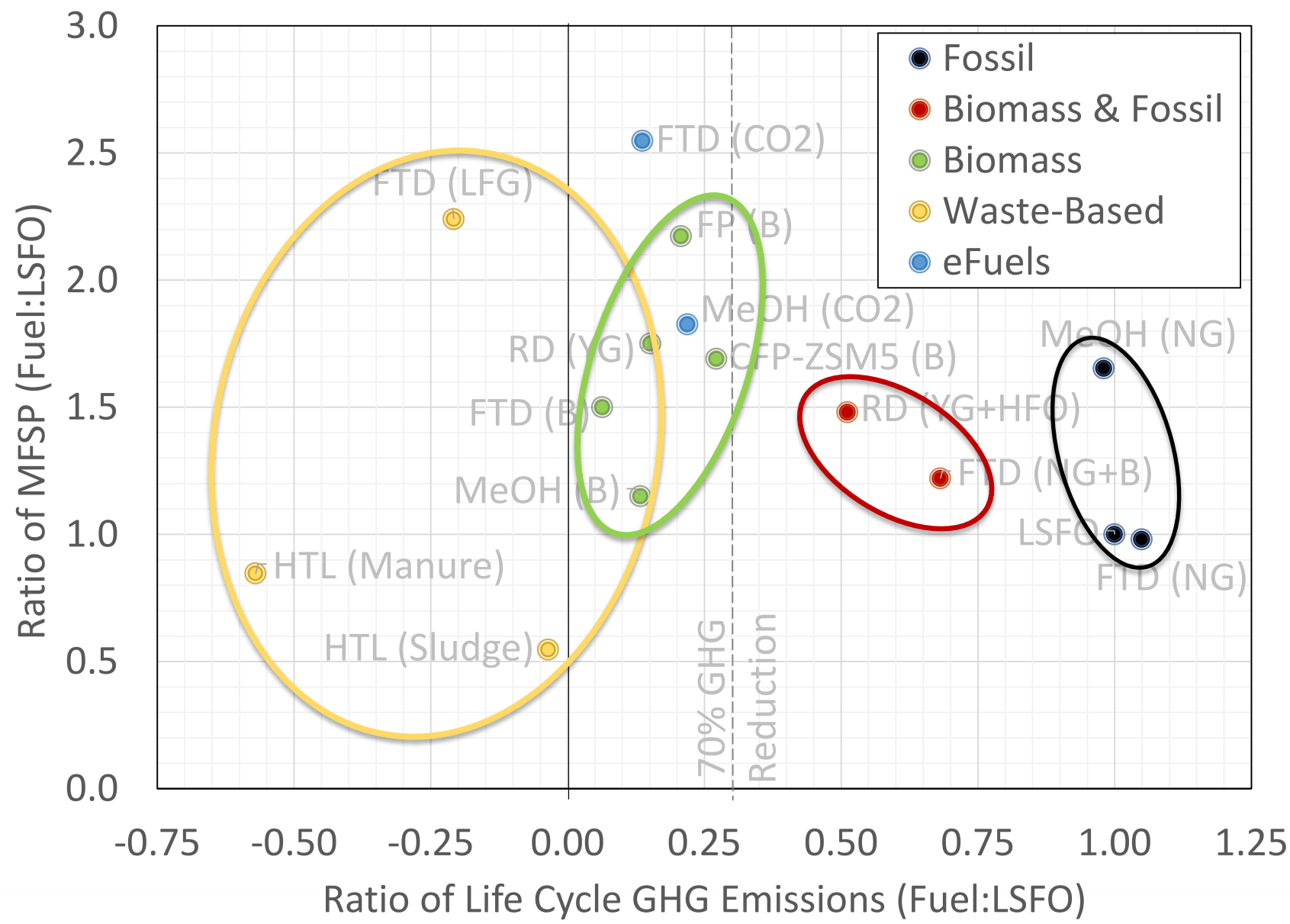
Prices can approach those of conventional low sulfur fuel oil



Multiple Promising Pathways: Greenhouse Gas and Cost

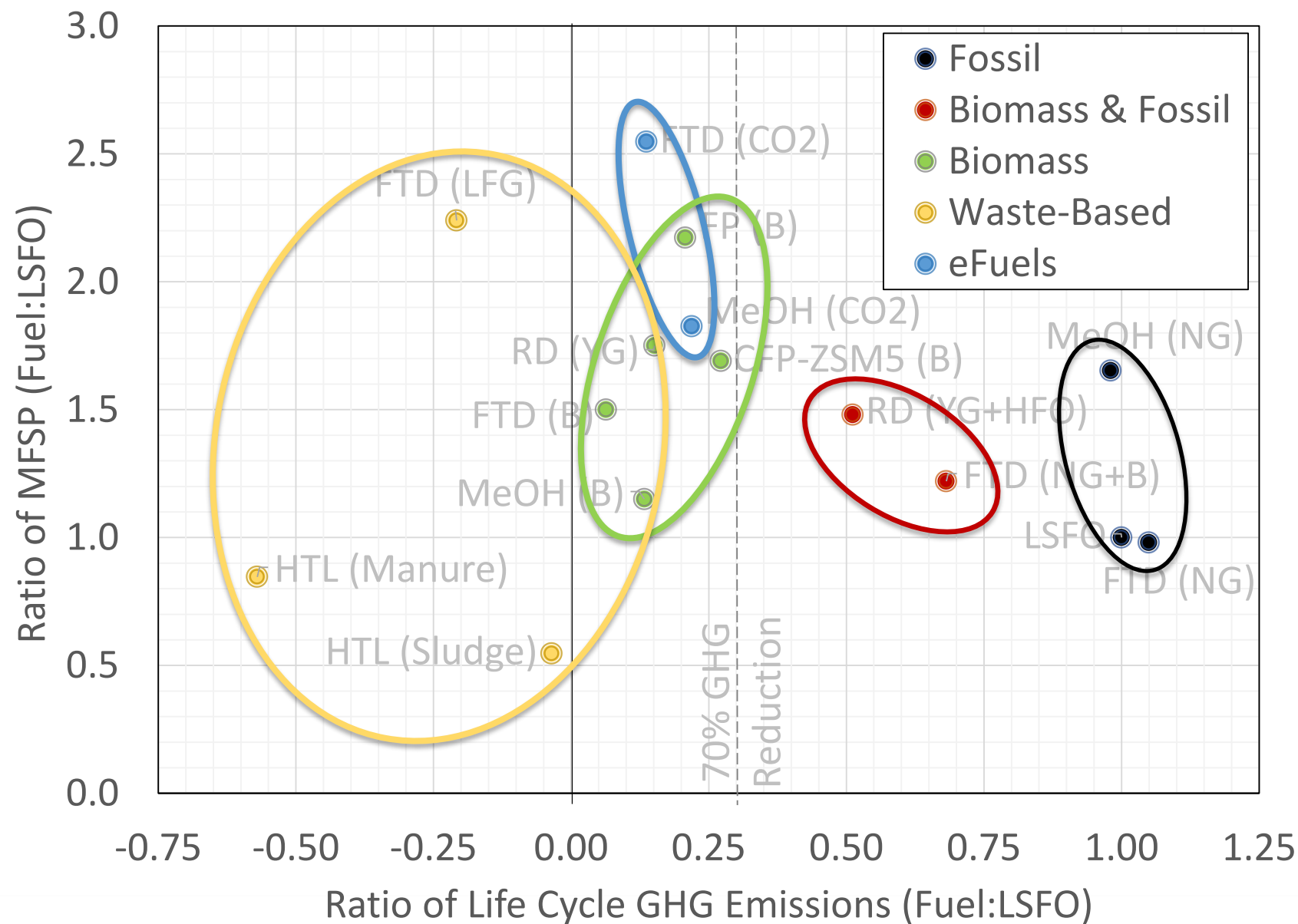
Select waste-based pathways can achieve net-negative greenhouse gas emissions

Promising costs suggest potential to compete with conventional low sulfur fuel oil



Multiple Promising Pathways: Greenhouse Gas and Cost

E-fuels, produced from captured CO₂ and renewable electricity, could significantly increase low-carbon fuel supply

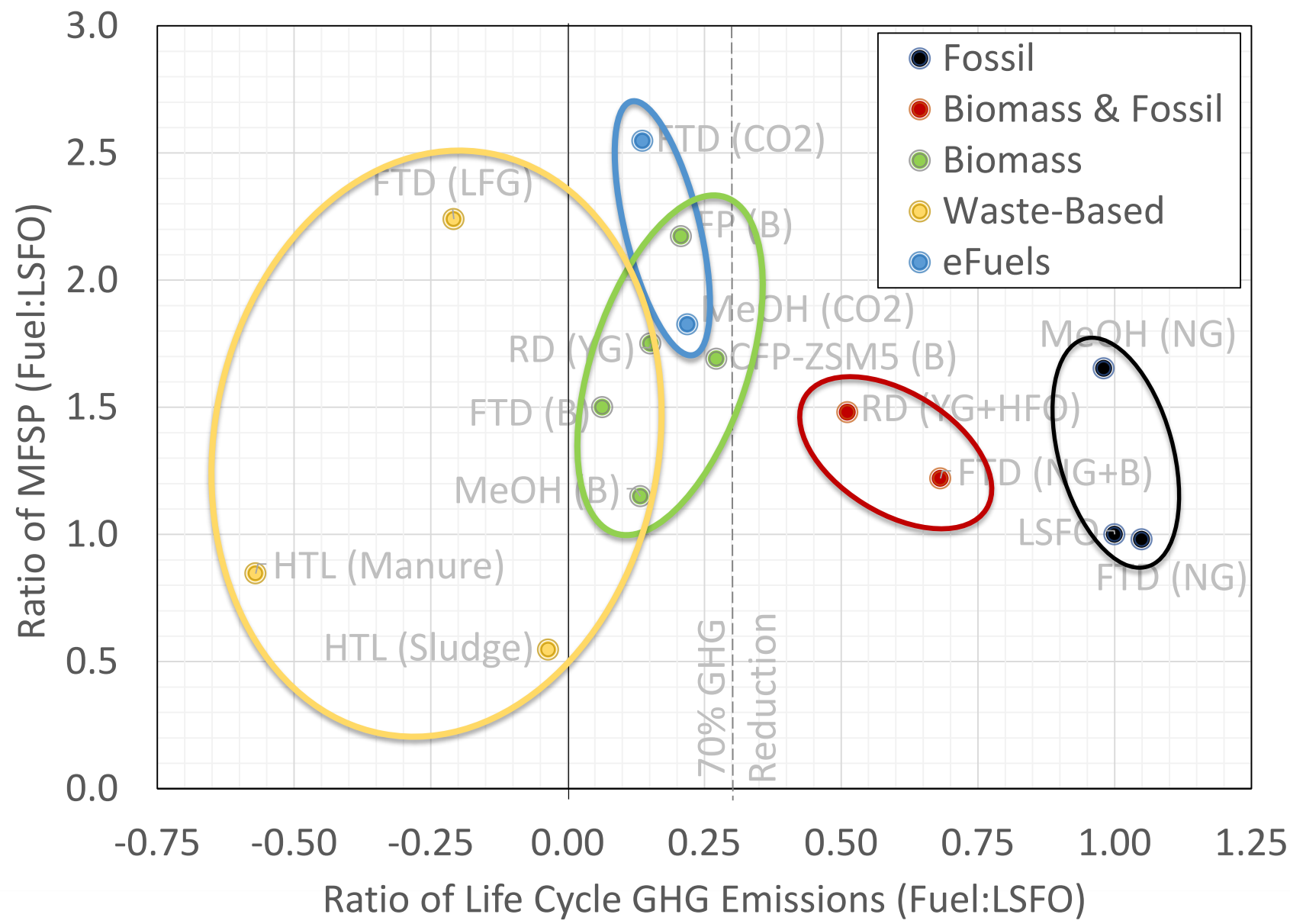


Multiple Promising Pathways: Greenhouse Gas and Cost

Promising pathways could reduce GHG emissions, relatively modest price increase

Multiple pathways needed to meet demand

Industry experience important to optimize production



Conclusion and Perspectives

- International and national policies driving maritime shipping toward low-carbon fuels
- Harmonized life cycle analysis is critical to guide the way
- Multiple biofuel pathways offer significant GHG reductions, bio-oils and methanol may offer reasonable price premiums
- Research and development needed to drive commercialization of a sustainable, low-carbon heavy fuel oil alternative



Maersk Mc-Kinney Moller Center
for Zero Carbon Shipping



GLOBAL
MARITIME
FORUM



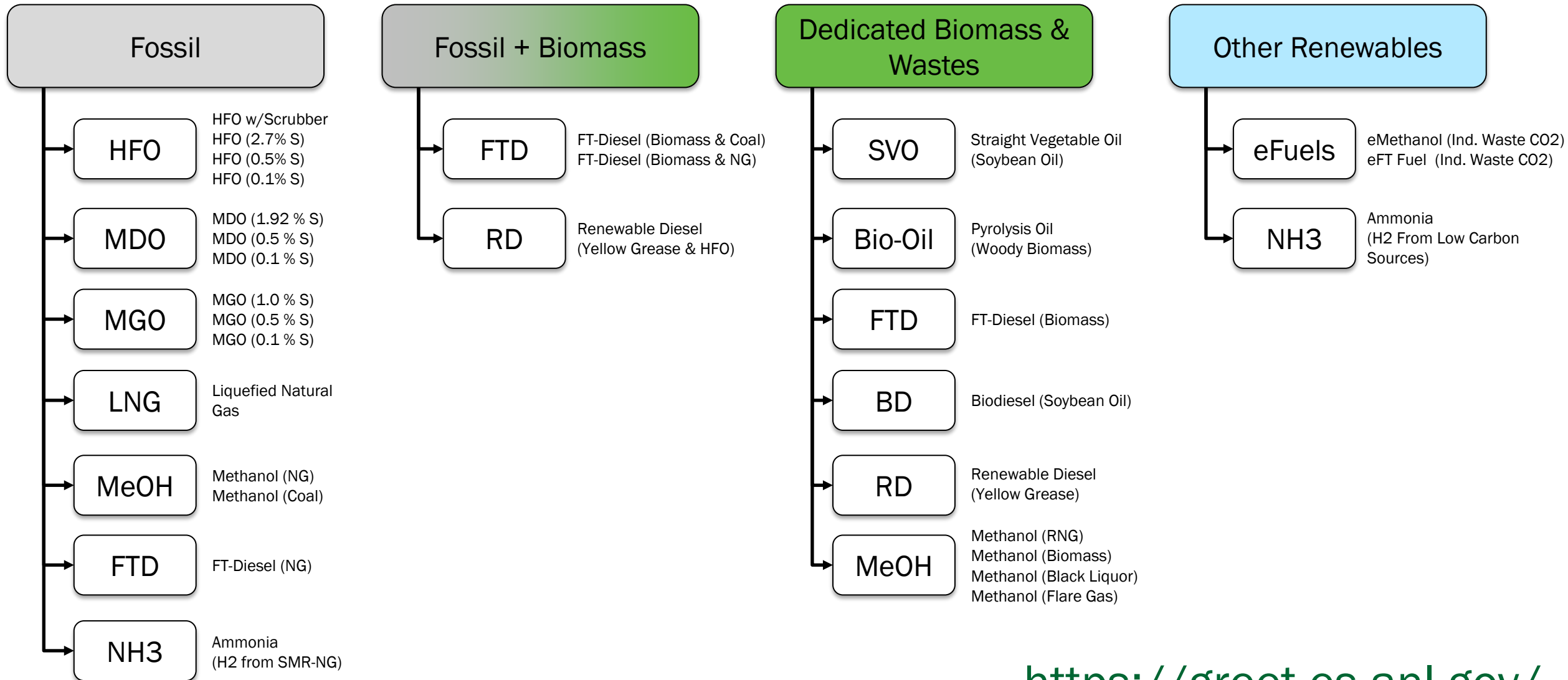
SEA CARGO
CHARTER



POSEIDON
PRINCIPLES



Publicly-Available LCA Models: GREET 2021



<https://greet.es.anl.gov/>

Thank you



Troy Hawkins
thawkins@anl.gov



Dr. Lee Kindberg
Head of Environmental
Sustainability–North America
Maersk



Marine Fuels for the Future

March 2022 | Dr. Lee Kindberg

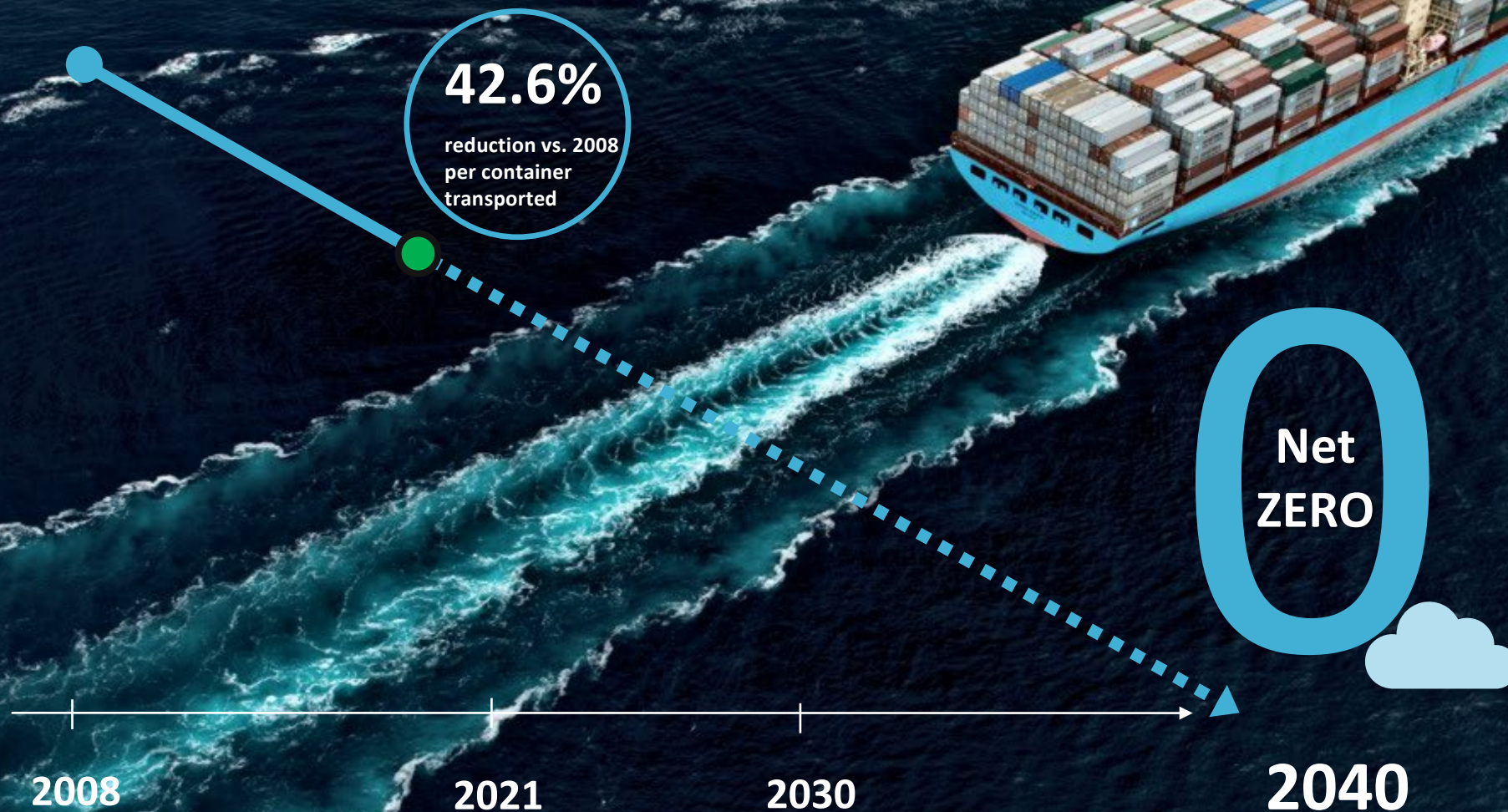
The climate challenge in shipping is huge

- While it is the most energy efficient way to move goods, shipping emits **3%** of global CO₂ emissions. (Around 3.5 Gigatons (Gt) of CO₂ emissions yearly)
- Maersk's 700+ container ships emit **0.1%** of Total global CO₂ emissions.
- One very large container ship consumes **7,000** ton of fuel oil on a trip from Europe to Asia and back.

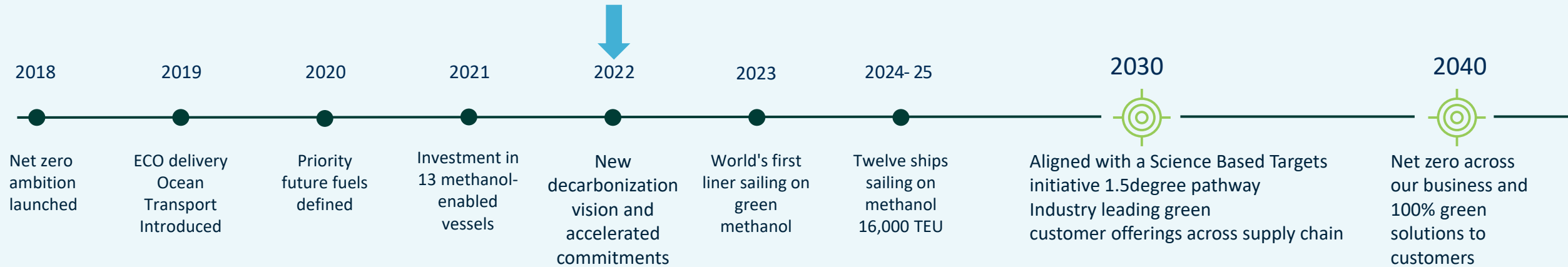


In 2018, we committed to Net Zero Carbon shipping by 2050

This year we accelerated that by 10 years, to 2040



Roadmap to deliver net zero by 2040



OUR DECARBONISATION COMMITMENTS



2030: Industry-leading green offerings

- Ocean: Min 25% of cargo transported with green fuels
- Air: min. 30% of cargo transported with Sustainable Aviation Fuels
- Contract logistics and cold chain: Min. 90% green operations (scope 1 and 2)
- Inland transportation: Industry leading green offering (quantitative targets to be defined in 2022)



2030: Aligned with Science Based Targets initiative 1.5-degree pathway

- Ocean ~50% reduction in emissions intensity Terminals ~70% absolute reduction (scope 1 & 2) 2020 Baseline for both
- Natural Climate Solutions used above and beyond 1.5-degree target to sequester at least 5million tonnes GHG in 2030



2040: Net zero across our business and 100% green solutions to customers

- 100% Green solutions to our customers
- Net Zero greenhouse gas emission across the whole business/all scopes
- Aligned with Science Based Target net zero criteria

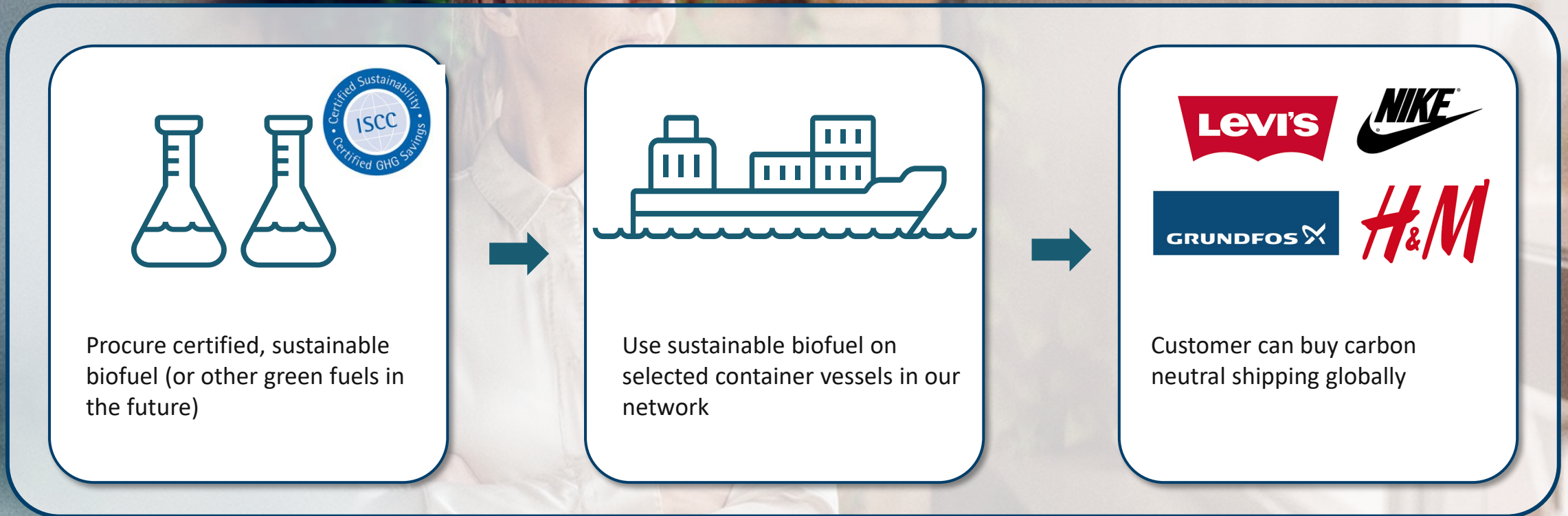
Our **customer commitment** to decarbonise their supply chains in time

... a **societal commitment** to act and have impact in this decade



MAERSK

Customer demand for green shipping is increasing - even at a price premium



Potential fuels identified

- their pros and cons



Biodiesel

(incl. advanced biofuels)

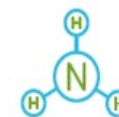
- ✓ Biodiesel market already exists
- ✓ Can be used as drop-in fuel in existing vessels and engines
- ✗ Limited availability of sustainable biomass feedstock
- ✗ Price pressure due to competing demand



Green methanol

(bio-methanol and e-methanol)

- ✓ Can be produced from both biomass and renewable electricity
- ✓ Already in operation today
- ✓ Well-known handling
- ✗ Bio-methanol: biomass availability of biomass feedstock
- ✗ E-methanol: Availability of biogenic CO₂ source



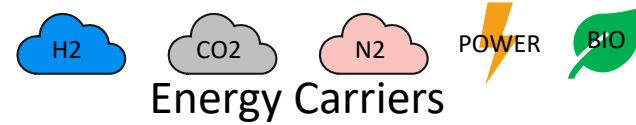
Green ammonia

(e-ammonia)

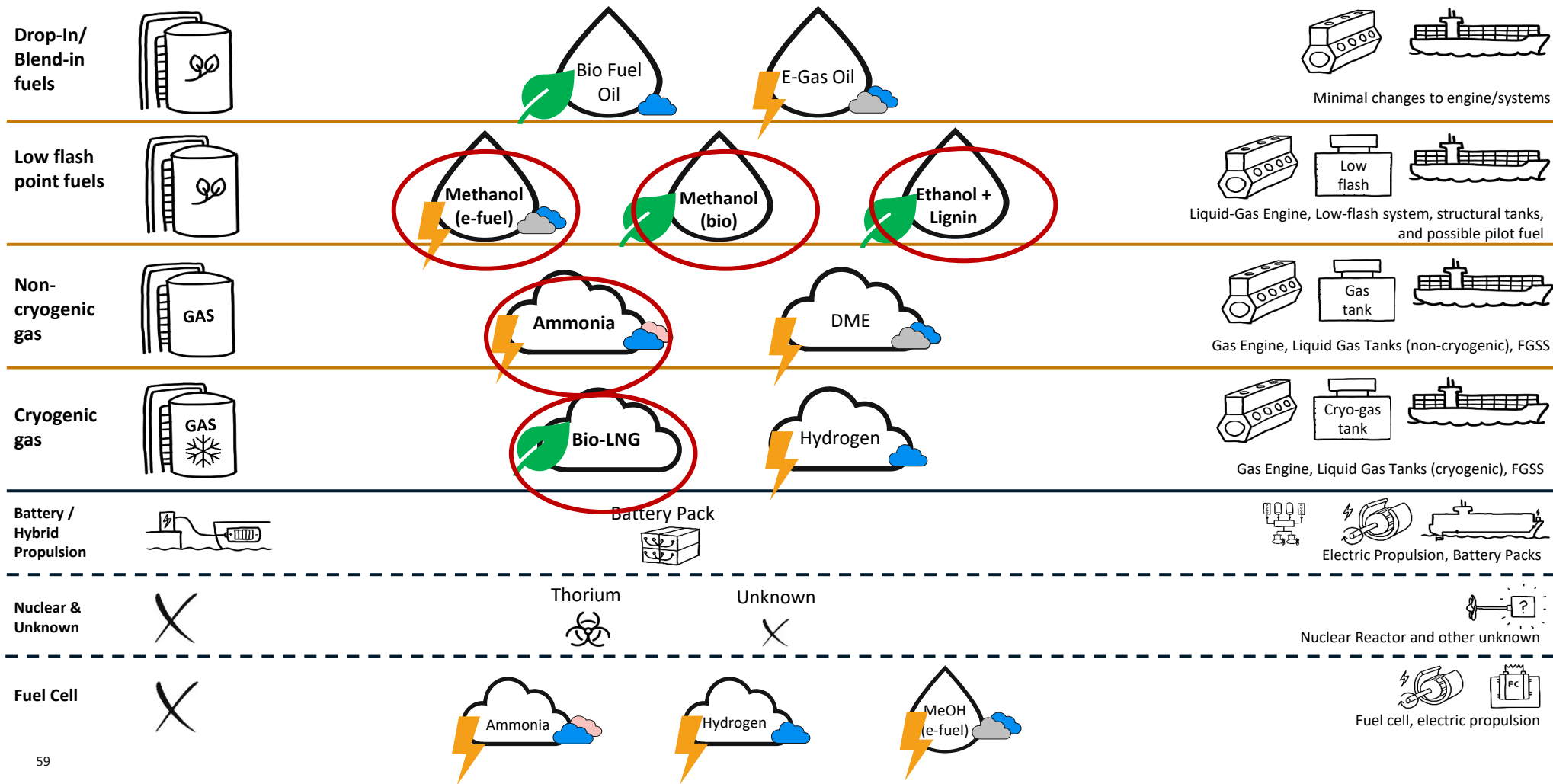
- ✓ Can be produced at scale from renewable electricity alone
- ✓ Fully zero emissions fuel
- ✗ Safety and toxicity challenges
- ✗ Infrastructure challenges at ports
- ✗ Future costs depends on cost of renewable electricity

Potential carbon-neutral fuels

Energy Carrier
Characteristics



Vessel Characteristics



Complexity

New fuels are not enough - we need to build a new ecosystem



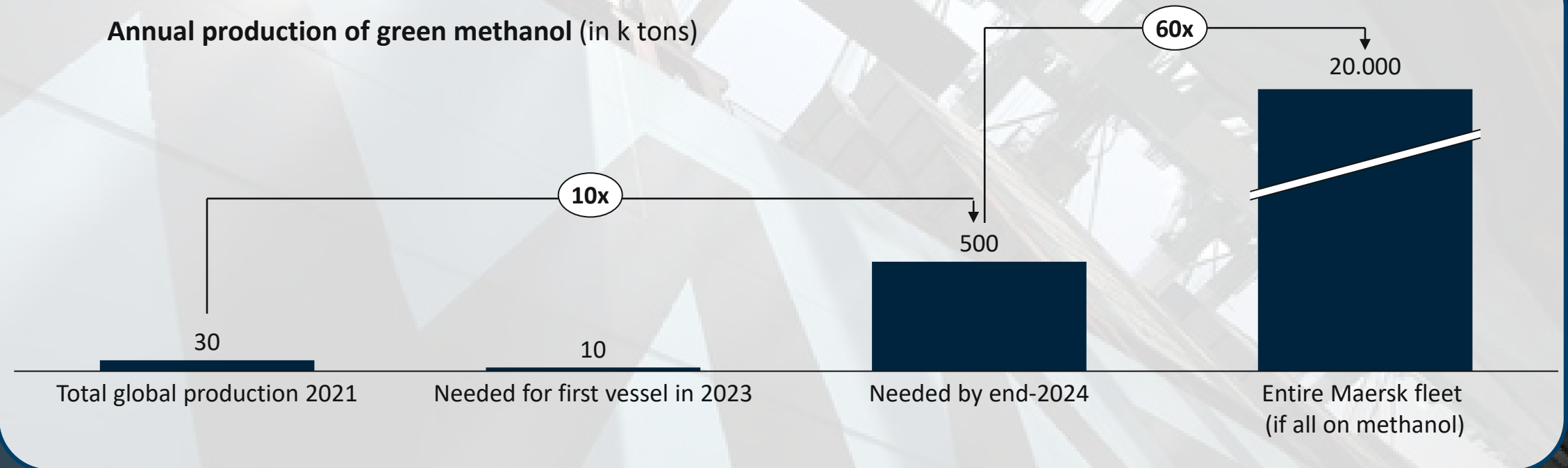
1. Price

2. Scalability

3. Sustainability

4. Tech. viability

**It will be quite a leap to get to scale
– but it can be done**



Our first "pilot scale" carbon neutral container ship in 2023

Our first series of 12 large carbon neutral container ships in 2024

Thank you

Dr. Lee Kindberg

Maersk Head of Environment &
Sustainability North America

lee.kindberg@maersk.com



Thank you!

Today's Presentation:
Current State of Sustainable Marine Fuels



Josh Messner
Technology Manager
Bioenergy Technologies Office
joshua.messner@ee.doe.gov



Dr. Troy Hawkins
Fuels and Products Group Leader
Argonne National Laboratory
thawkins@anl.gov



Dr. Lee Kindberg
Head of Environmental
Sustainability–North America
Maersk
lee.kindberg@maersk.com

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