# EPCI

# Introduction to EPRI's Regional Economy, Greenhouse Gas, and Energy (REGEN) Model

Contact: John Bistline (jbistline@epri.com)

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### Overview

The U.S. Regional Economy, Greenhouse Gas, and Energy (US-REGEN) model is an energy-economy model developed and maintained by EPRI. The model links a detailed electric sector capacity planning and fuels supply model with representations of demand in buildings, transport, and industry. US-REGEN provides a customizable platform for policy analysis, technology assessment, and strategy that is informed by decades of EPRI research on energy modeling and technology analysis. This report provides a high-level introduction to the model and complements the detailed model documentation, peer-reviewed journal articles, and EPRI reports, which are available at <a href="https://esca.epri.com/">https://esca.epri.com/</a>.

Slides prepared by:

David Young, John Bistline, Geoffrey Blanford, Nils Johnson, Anahi Molar-Cruz, Aranya Venkatesh

This publication is a corporate document that should be cited in the literature in the following manner:

EPRI (2025). Introduction to EPRI's Regional Economy, Greenhouse Gas, and Energy (REGEN) Model. EPRI Report 3002032671 (EPRI, Palo Alto, CA).





#### Link Introduction



Link **REGEN Representation of the Electric Sector** 



Link **REGEN Representation of Energy Use** 



Link **REGEN Representation of Fuels Supply** 



Link Additional Resources





#### **Electric Sector**





#### **Fuel Supply/Conversion**



- Investment and dispatch
- Transmission and interchange
- Integration of renewables
- Electrification
- Energy and capacity requirements
- Regional policies and constraints

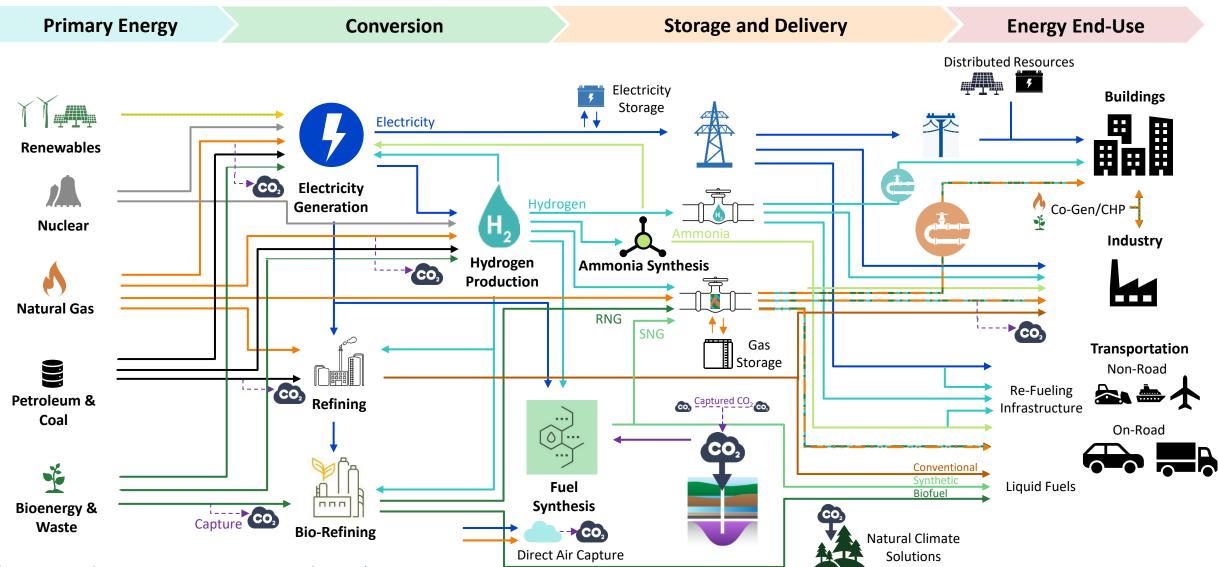
- Climate zones
- Building types
- Household characteristics
- Industrial mix
- End-use technology detail

- Hydrogen, ammonia, biofuels, synthetic fuels production and conversion
- Pipeline investment and operation

#### Documentation, articles, and reports available at <u>https://esca.epri.com</u>



# **Economy-Wide Low-Carbon Energy Pathways**

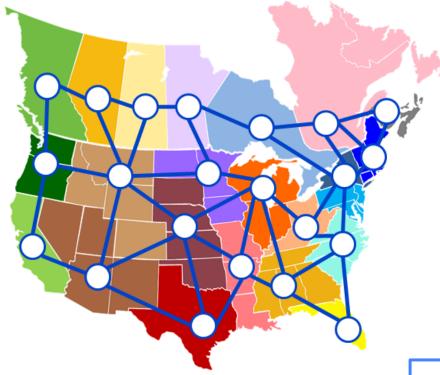


Link to REGEN documentation on energy pathways here

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#### **REGEN Combines National Coverage with Sub-National Detail**

#### Example Regional Disaggregation from North American REGEN



Identify differences in regional resources (renewables, CO<sub>2</sub> storage, geothermal, etc.) and in projected energy demands

Understand existing ability to move energy between regions; co-optimize new inter-regional energy transfer capacity with energy production investments

Some REGEN versions offer ability to customize regions; zoom in on an area of interest while maintaining national coverage

Allows users to see and compare output data and insights by region

Link to North American REGEN documentation <u>here</u>



### **REGEN** Designed to Assess Deep System Changes



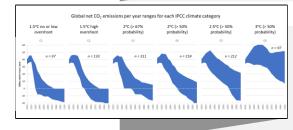
#### **Economy-Wide Technological Pathways to Deep Decarbonization**

Understand technology pathways from the existing fleet to a future low-carbon fleet, while continuing to meet growing load in every hour.



#### **Climate and Energy Policies and Regulations**

Analyze the impacts and unexpected outcomes of potential climate and energy policies and regulations, both electric sector and economy-wide.



#### **Climate-Related Risk Assessment**

Assist companies to evaluate climate-related risks from the transition to a lowcarbon fleet to support their disclosure and target-setting strategies.



#### **Scenario Design to Inform Resource Planning**

Identify drivers of change beyond the boundaries of capacity expansion planning tools, including economy-wide policies and load changes, inter-regional trade, etc.

# **REGEN Representation of the Electric Sector**



## **REGEN Electric Sector Overview**

Long Horizon Capacity Expansion Model with Regional Detail



#### **Generation Capacity**

Existing fleet and new investments to capture transition dynamics. Strong focus on lowcarbon and emerging technologies not typically found in commercial planning models, with costs and performance based on EPRI expertise.

#### **Energy Storage**

Short-, medium-, and long-duration energy storage technologies included with hourly charging/discharging and option to track arbitrage, capacity, and ancillary services.

#### **Inter-Regional Transmission**

Endogenous representation of new inter-regional transmission capacity and hourly flows, all co-optimized with generation and energy storage investment and dispatch.

#### **Regional and National Climate Policies**

Large menu of climate policy and regulatory formulations, including policies that interact with other sectors, and coverage of existing policies and incentives, including state-based emissions policies, standards, and mandates.







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Link to REGEN documentation on the electric sector model here

# **Electric Sector Investment Options in REGEN**

Solar PV	Variable Renewable Technologies
Onshore Wind	
Offshore Wind	Fixed Platform, Floating
Li Ion Battery	Energy Storage Technologies
CAES/LAES	
H <sub>2</sub> /Electrolysis	
Emerging Storage	User Specified
Pumped Hydro	Existing capacity endowment, no expansion
GT/RICE	Dispatchable Generation Technologies
NGCC	
MGCC+CCS	90-98% capture; 90% retrofit option for existing units
Coal+CCS	90-95% capture; 90% retrofit option for existing units
Bio+CCS	
Nuclear	Gen IV, SMR
Geothermal	Enhanced geothermal forthcoming
Hydro	Existing capacity endowment, no expansion
<u>&amp;</u>	New Inter-Regional Transmission

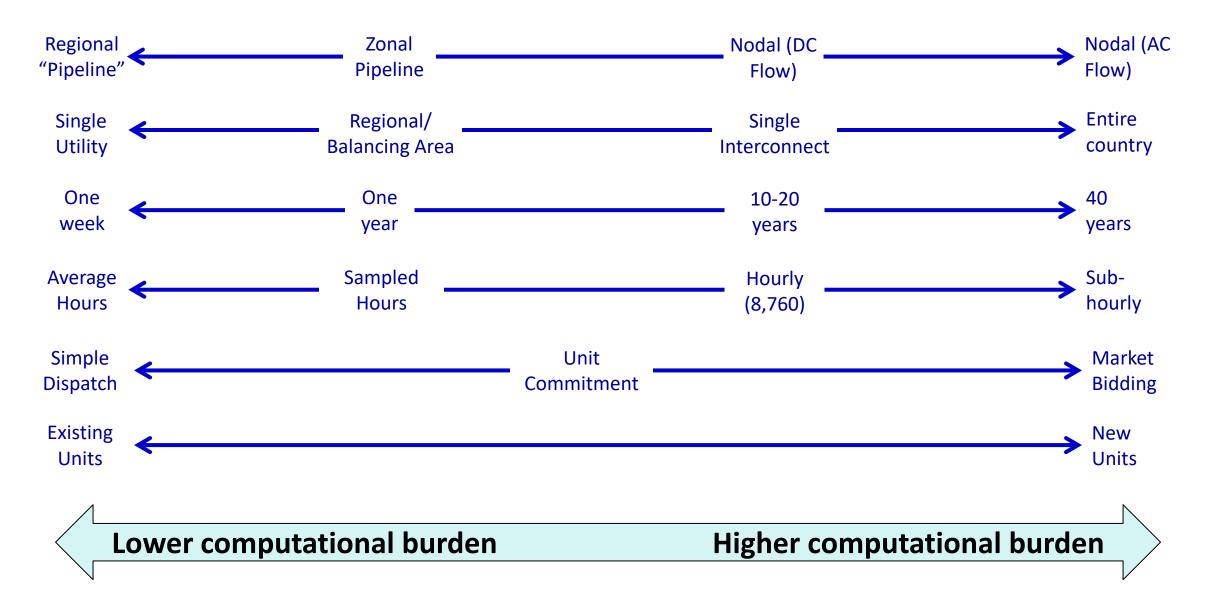


# Other Technology Options Available in Selected Versions of REGEN

- Cofiring existing coal with biomass or ammonia
- Converting existing coal to NG or bio
- Cofiring existing NG units with H<sub>2</sub>
- Biomass-fired (no CCS)
- Coal SCPC or IPCC (no CCS)
- Solar CSP with thermal storage
- Multi-fuel units

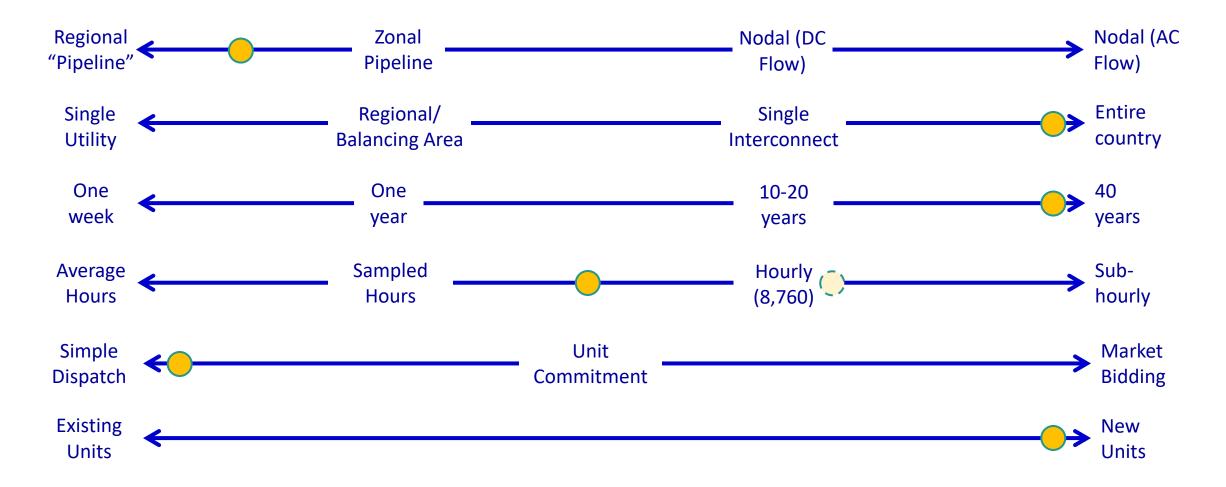


### Key Computational Tradeoffs in Capacity Expansion Models



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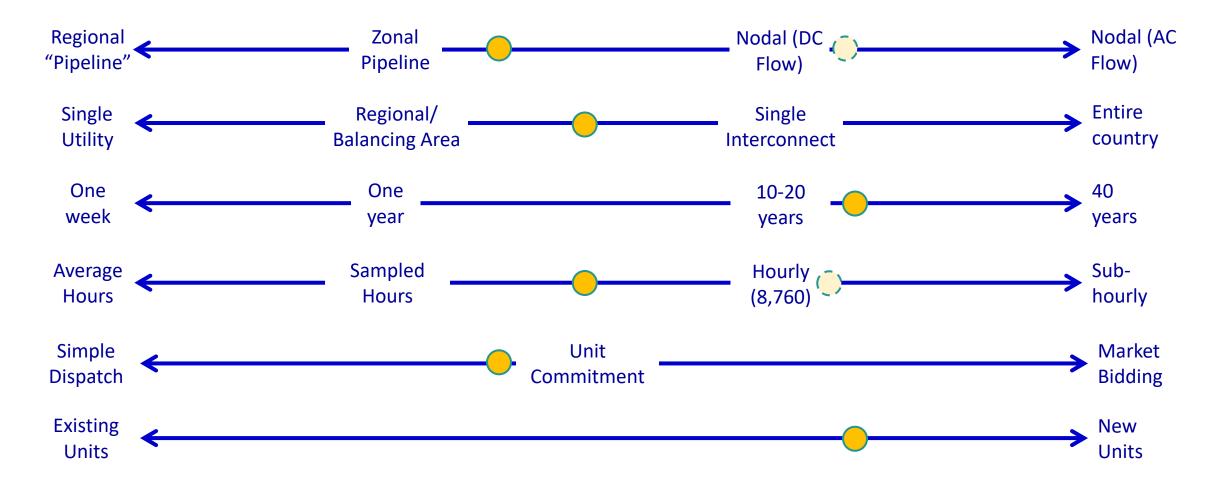
# **REGEN Electric Sector Capacity Expansion Model**



#### Best for exploring long-run system change

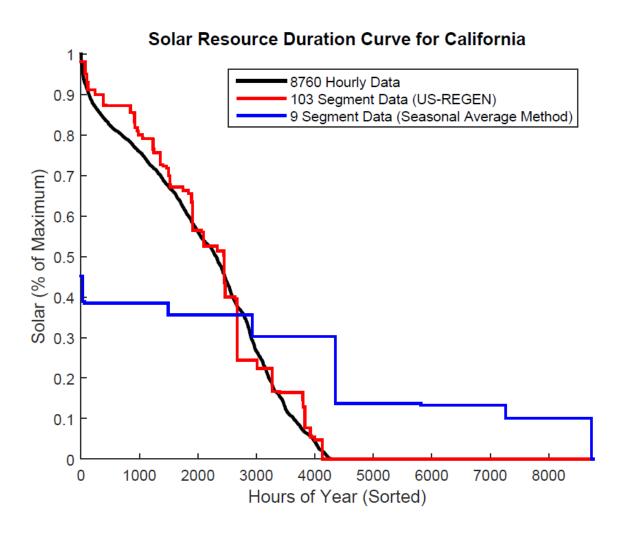


# **Typical Commercial Capacity Expansion Model**



#### Best for evaluating investment needs for a given region assuming limited trade

### **REGEN Strength: Representation of Variable Renewables**



- US-REGEN employs an innovative "representative hour" selection algorithm to capture hourly wind, load, and solar shapes
- Captures hourly correlations in long time horizon models better than other approaches (e.g., Seasonal Average Method)

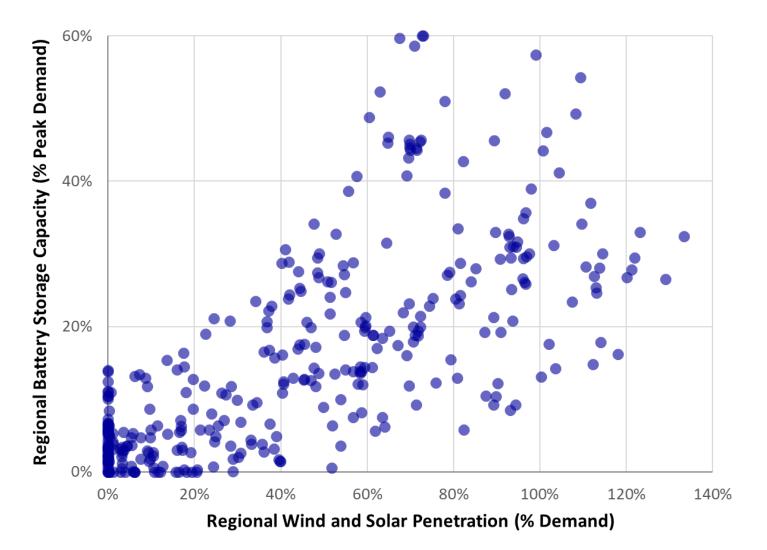
Source: Blanford, et al. (2018), "<u>Simulating Annual Variation in Load,</u> <u>Wind, and Solar by Representative Hour Selection</u>" (The Energy Journal)

#### Representing spatial and temporal variability are important for assessing system-dependent value

Link to REGEN documentation on hour selection approach here



# **REGEN Strength: Representation of Energy Storage**



- Hourly resolution and chronology are important for capturing energy storage value
- Use 8,760 hours with single year investment and dispatch
- Storage valuation varies by region and assumptions about future technologies, markets, and policies (figure shows sensitivities on renewable costs, gas prices, CO<sub>2</sub> policy)

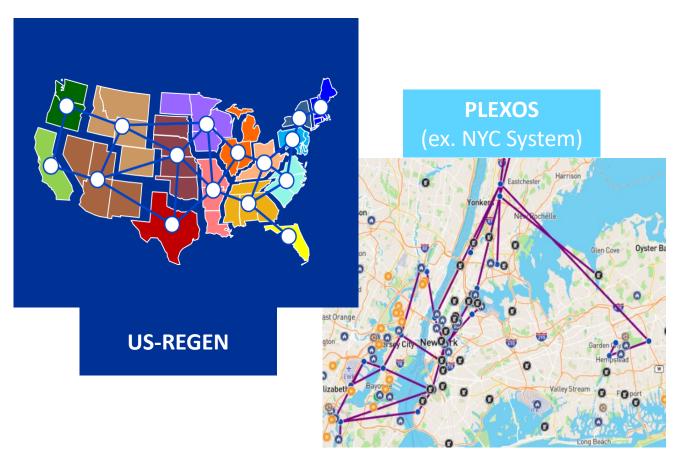
Source: Bistline and Young (2019), "<u>Economic Drivers of</u> <u>Wind and Solar Penetration in the U.S.</u>" (Environmental Research Letters)

#### REGEN can accurately represent the economics of charging/discharging with hourly resolution

Link to REGEN documentation on energy storage here



# **REGEN Strength: Automated Link to PLEXOS**



Source: de Mello, et al. (2023), "<u>Linking Capacity Expansion, Resource Adequacy</u>, <u>and Production Cost Modeling Tools for Integrated Strategic System Planning</u>" (EPRI, ID 3002028534)

- EPRI's Integrated Strategic System Planning (ISSP) Initiative created the machinery to automatically move input and output data from REGEN to PLEXOS
- Allows for coordinated planning from long run scenario analysis (REGEN) through nodal, unit-level capacity expansion, resource adequacy, and production cost modeling, using a consistent set of assumptions and data across all tools
- REGEN provides a customized "starting point," informing optimal candidate generation resources, inter-regional transmission needs, and long-term load projections for the specific region of study

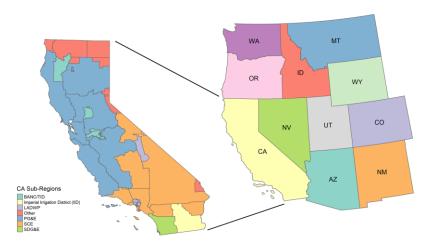
REGEN scenario analysis can support resource planning accounting for economy-wide interactions and risks



### Use Case: Reliability of California SB100 Clean Electricity Rule

Scenario analysis of SB100 and decarbonization in California linked to reliability and resource adequacy analysis

#### **CA-REGEN**



AUTOMATED LINK Hourly Load, Renewables, Scenario Constraints, and Technology Characteristics FEEDBACK LOOP

#### **CA-PLEXOS Sub-State Level Expansion**



- Integration of variable renewables
- Zonal transmission and interchange
- Regional policies and constraints
- Range of low and zero-carbon technologies
- Investment and dispatch

- Individual electric generating units
- Localized load
- Nodal transmission and power flows
- Investment and dispatch
- Reliability assessments and mitigation opportunities

#### Modeling deployed for California Energy Commission report due Q4 2025



# **REGEN Representation of Energy Use**



# **REGEN Energy Use Modeling**

Long Horizon 8,760 Hourly Customer Choice Model with Regional Detail



#### **Buildings**

Representation of existing building stock, current appliance use, and load-shapes. Representation of future temperature at an hourly basis, which drives heating/cooling demand, and emerging technologies (i.e., high efficiency heat pumps).



#### **Transportation**

Representation of light-, medium-, and heavy-duty vehicles, shipping, aircraft, rail. Representation of miles traveled, vehicle sub-classes, emerging technologies (e.g., hydrogen-fueled trucks).

#### Industry

Representation of industrial activities (e.g., process heat, machine drive) and off-road vehicles, excluding energy production and conversion processes captured by the fuels model. Some sub-sector detail for cement, iron, and steel as well as a detailed representation of steam demand by temperature requirements across all manufacturing.

**Distributed Generation Model** 

Representation of residential and commercial rooftop solar adoption decisions based on retail electricity prices.





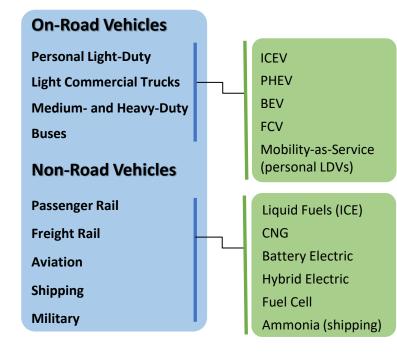


Link to REGEN documentation on buildings, industry, and transportation



### **REGEN Energy Use Level of Detail by Sector**

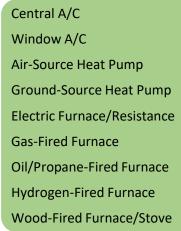




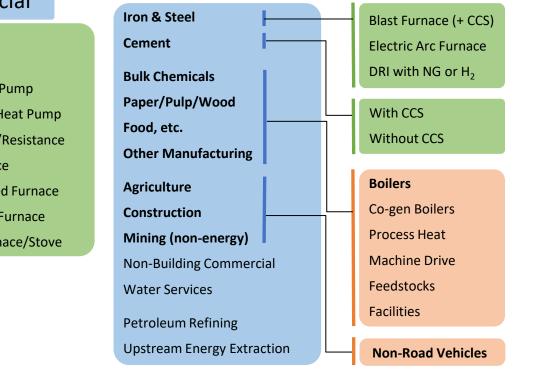


#### **Residential and Commercial**

Space CoolingSpace HeatingWater HeatingClothes DryersCookingLightingOther AppliancesElectronicsVentilationOther Building





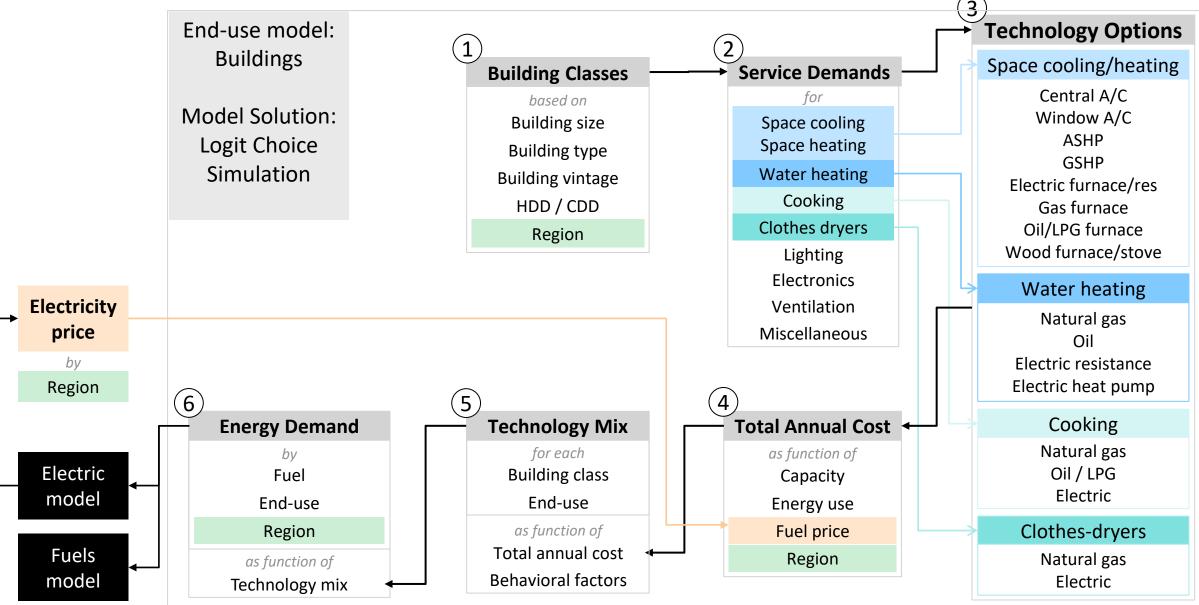


SECTORS / ACTIVITIES -

END-USES



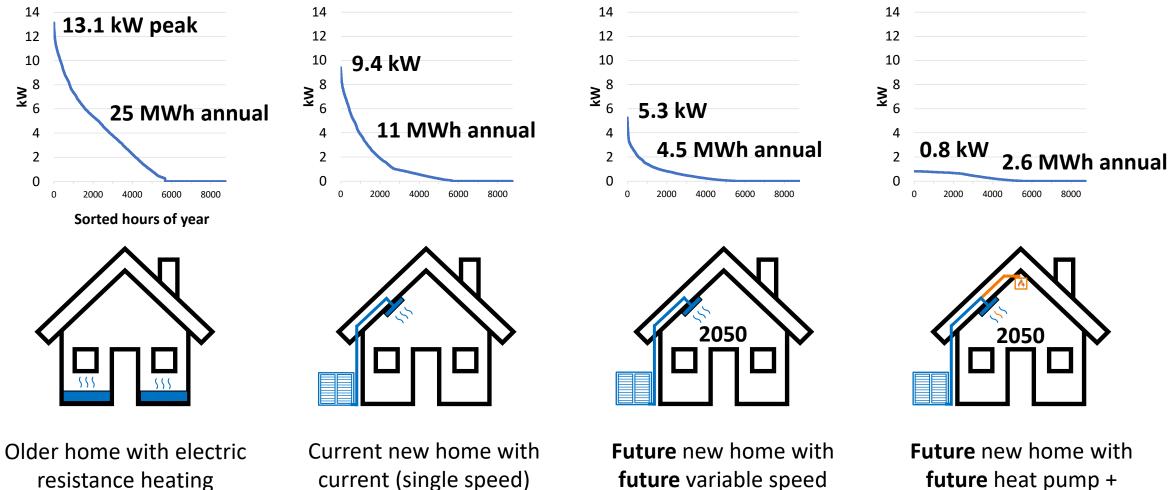
# **REGEN Buildings Model**



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# Space Heating Load Shape Examples

Sorted annual (diversified) load for representative house, a 3,000 sq. ft. single-family home in central Michigan



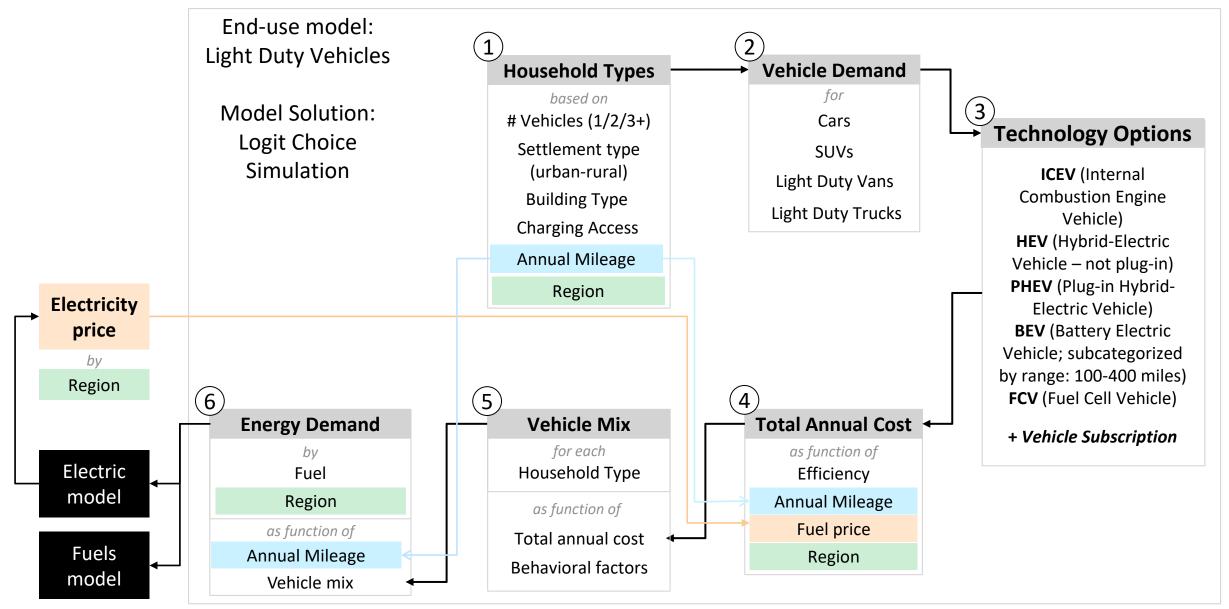
air-source heat pump

future variable speed air-source heat pump future heat pump + hybrid gas back-up

Source: Molar-Cruz, et al. (2024), "Assessment of Buildings Sector Decarbonization Strategies in a Net-Zero Economy" (EPRI, ID 3002030650)



# **REGEN Light Duty Vehicles Model**



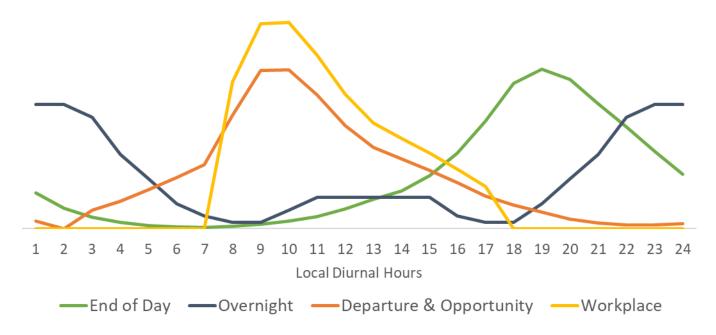
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# Default (Uncoordinated) Charging Profile for LDVs

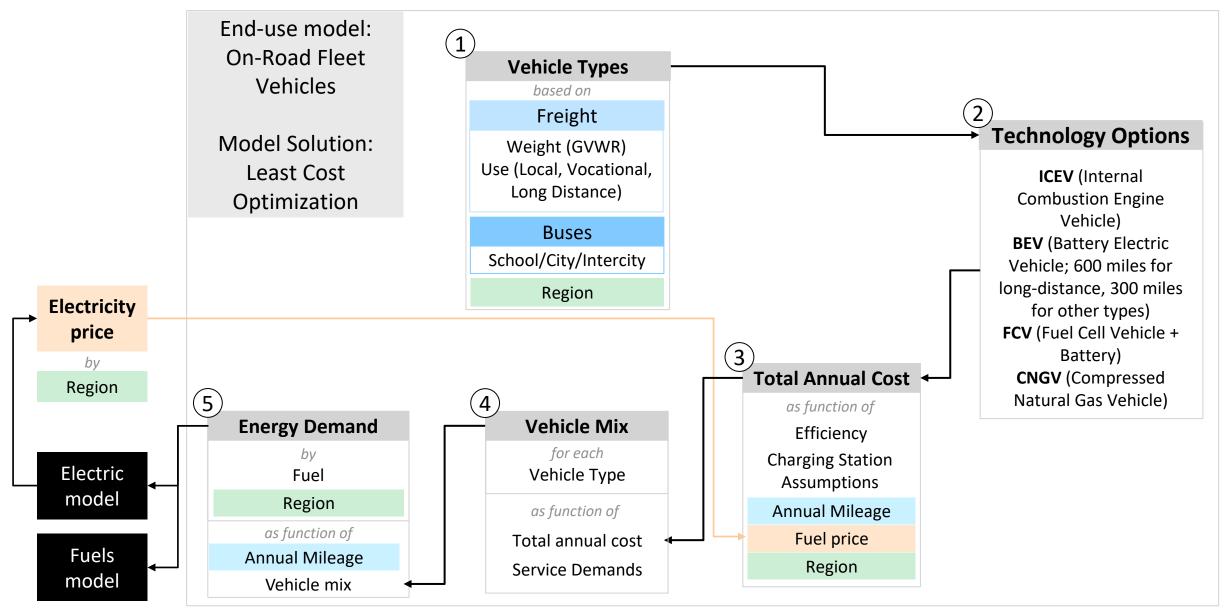
 Daily energy for charging → Varies across structural classes, regions, and days based on annual vehicles miles traveled and temperature impact on charging efficiency

### - Allocation across exogenous diurnal profiles $\rightarrow$

- End of Day
- Overnight
- Departure & Opportunity
- Daytime



### **REGEN On-Road Fleet Vehicles Model**



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### Charging Equipment Cost Assumptions

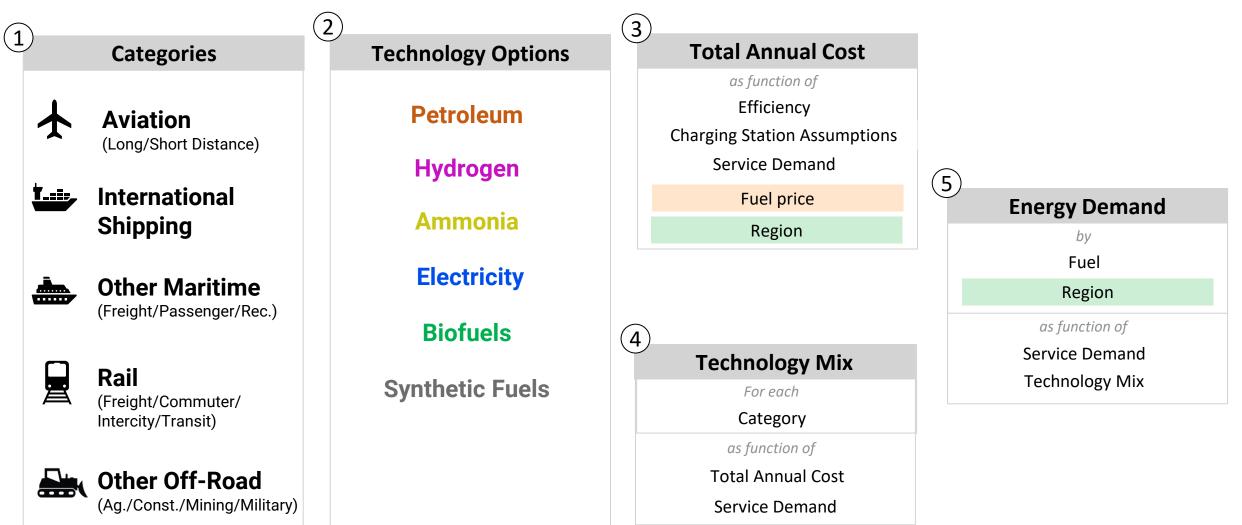
		Vehicles per Station	Charging Level / kW	Cost per station (\$000)
	Single-Family Home with Home Charging	1 (2 for PHEV)	Level 2 / 6 kW	1 (1.5 for urban)
>	Multi-Family with On-Site Public Charging	1-4 (depends on BEV range and access to workplace charging)	Level 2 / 6 kW	3 (6 for urban)
Light-Dut	Workplace Public Charging	1-4 (depends on BEV range and access to home charging)	Level 2 / 6 kW	3 (6 for urban)
	Destination Public Charging	<ul><li>1-2 if no home/work</li><li>10 if home or work</li><li>20 if home and work</li></ul>	Level 2 / 6 kW	3 (6 for urban)
	Highway Fast Charging	30	Level 3 DC / 60 kW	24

	Class 3 Truck Fleet Charging	2	Level 3 DC / 60 kW	40
/HD	Class 4-6 Truck Fleet Charging	2	Level 3 DC / 100 kW	60
MD	School Bus Fleet Charging	3	Level 3 DC / 135 kW	75
	Class 7-8 Truck / Bus Fleet Charging	3	Level 3 DC / 250 kW	150

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# **REGEN Non-Road Vehicles Model**

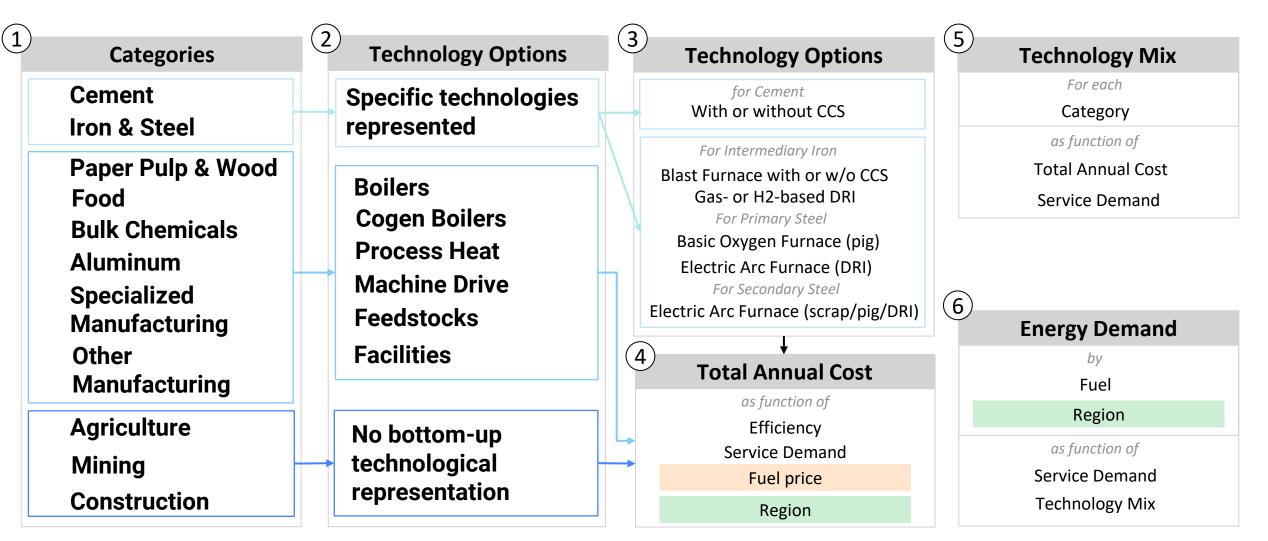
Non-Road Fleet Vehicles Model Solution: Least-Cost Optimization



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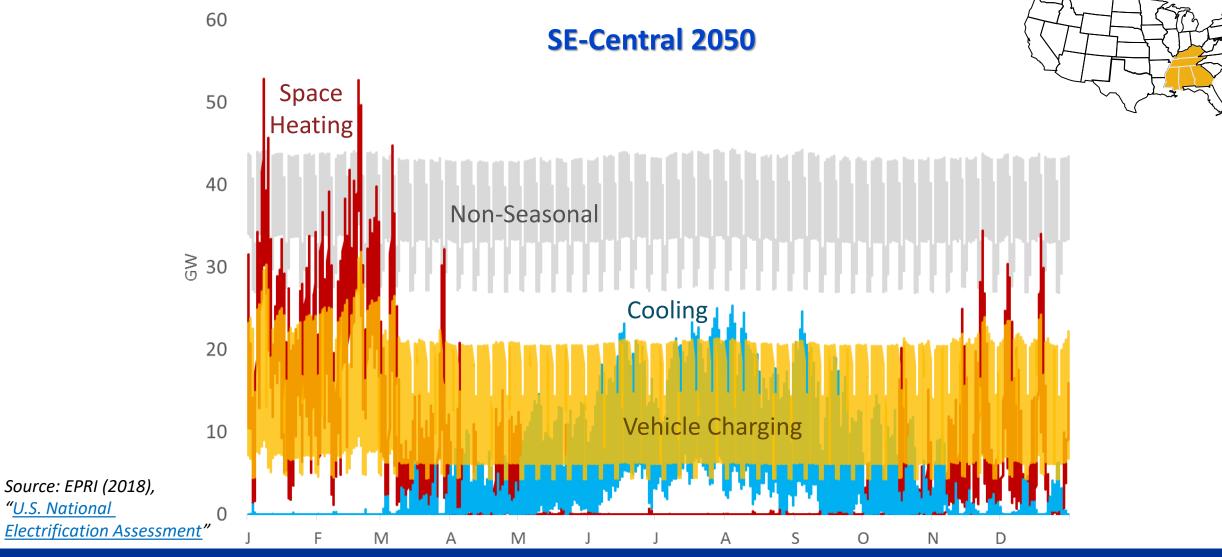
# **REGEN Industry Model**

Industry Model Solution: Least-Cost Optimization



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### **REGEN Strength: Hourly Endogenous Load Projections**

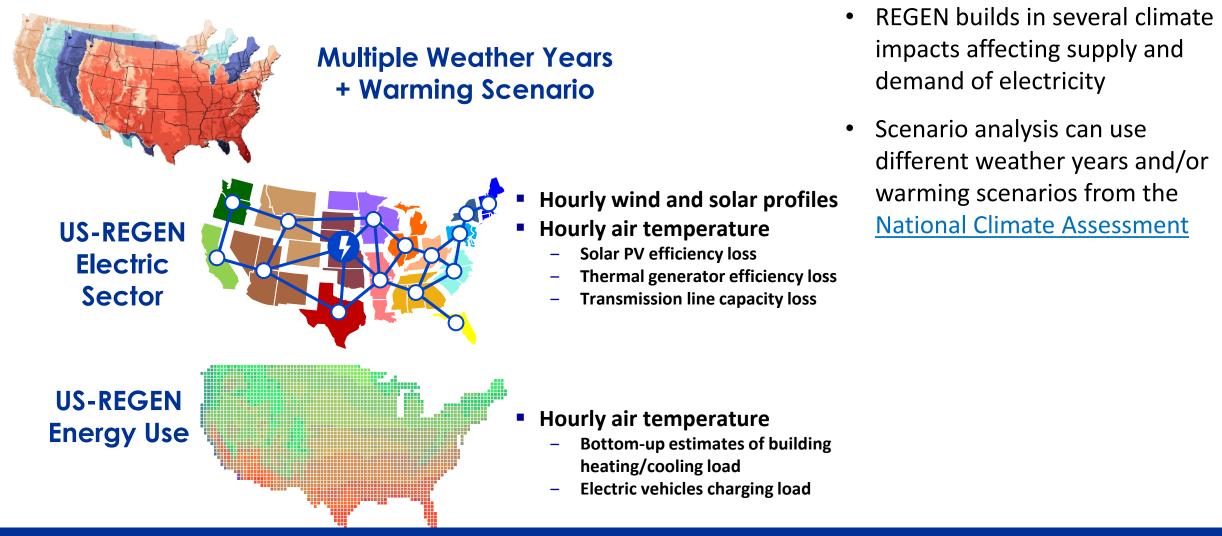


#### REGEN projects how consumers invest and use energy hourly based on costs and fuel prices

Link to detailed load shape analysis here



# **REGEN Strength: Future Climate Data and Impacts**



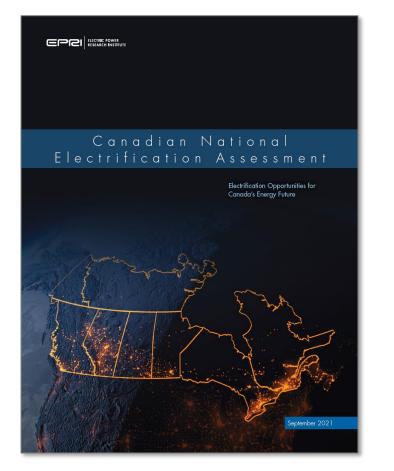
**REGEN** leverages EPRI weather and climate expertise to incorporate future climate impacts in scenarios

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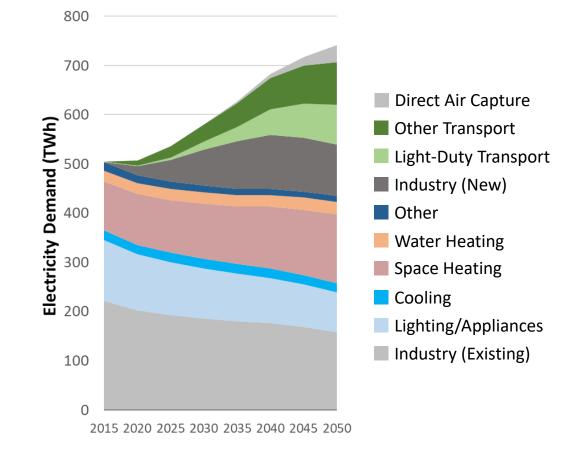


### Use Case: 2021 Canadian National Electrification Study

Scenario analysis of current and potential future Canadian climate policies and their impact on electrification



#### Net Zero CO<sub>2</sub> Emissions by 2050 Scenario



https://www.epri.com/research/products/00000003002021160 (English) https://www.epri.com/research/products/00000003002022642 (Français)

# **REGEN** Representation of Fuels Supply



## **REGEN Fuels Supply**

Fuels Production, Conversion, and Transport Optimization Module with Regional Detail

#### **Low-Carbon Fuels**

Representation of low-carbon fuels, such as hydrogen, biofuels, ammonia, and synthetic fuels, many of which are not commercialized yet.

#### Integrated Fuel Supply and Conversion Pathways

Model co-optimizes over interdependent production and conversion technology pathways to find the least-cost fuel supply mix to meet end-use energy service demands.

#### **Bioenergy Resource Curves**

Bioenergy resource curves from FASOM land-use model inform cost and quantity of potential feedstock supply by region for biofuel pathways.

#### Fuel Delivery Infrastructure

Model accounts for infrastructure costs to move alternative fuels between production, conversion, storage, and delivery.







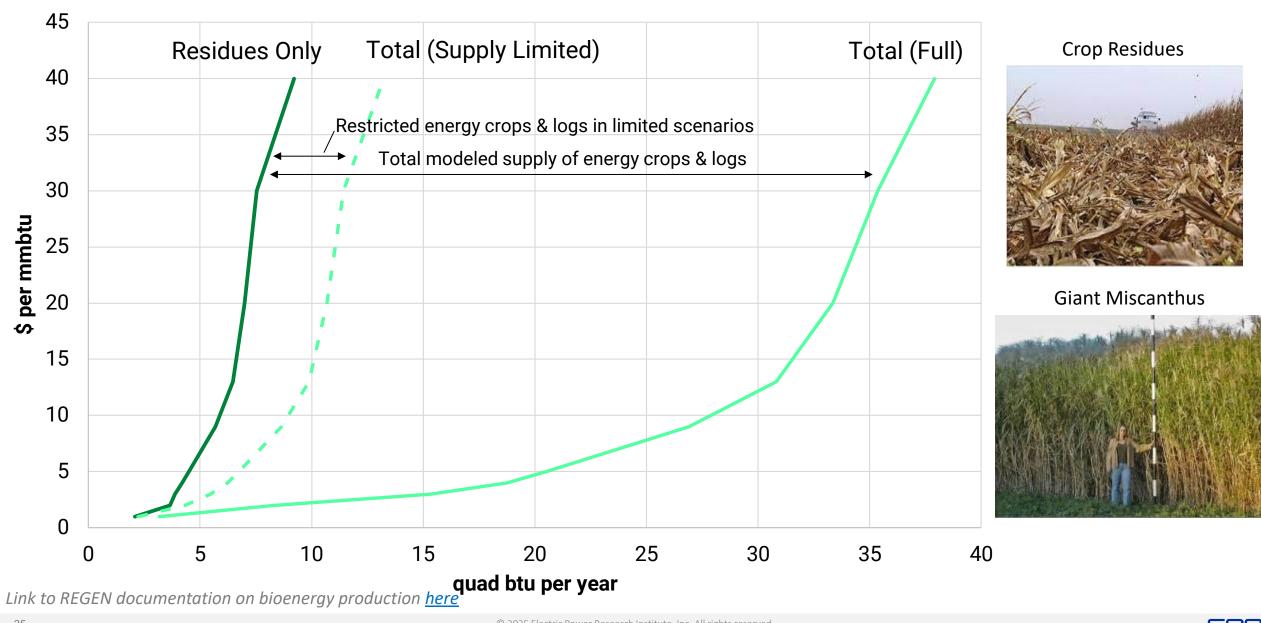
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Link to REGEN documentation on the fuels supply model here

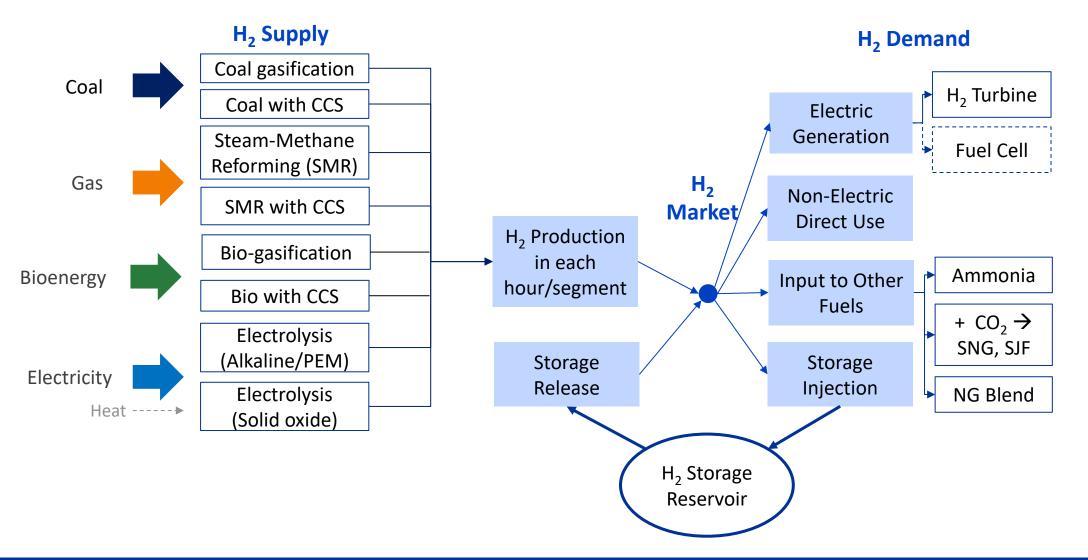
# Fuel Conversion Investment Options in REGEN

<ul> <li>Conventional SMR (using NG)</li> <li>Biomass Gasification</li> <li>Coal Gasification</li> <li>Electrolysis</li> <li>PEM, Alkaline, High-temp steam</li> </ul>	
<ul> <li>Conventional Haber-Bosch (using NG)</li> <li>Haber-Bosch with CCS</li> <li>Haber-Bosch with H<sub>2</sub> input (incremental synthesis)</li> </ul>	
Conventional Ethanol Biofuel Technologies Renewable NG from Waste Streams Limited Resource	Other Technology Options Available in Selected Versions of REGEN
<ul> <li>Bio-based gasoline</li> <li>Bio-based diesel</li> <li>Bio-based jet fuel</li> <li>Fischer-Tropsch</li> <li>Bio-based jet fuel</li> <li>Fischer-Tropsch</li> <li>Renewable NG from bio-gasification</li> </ul>	<ul> <li>Petroleum refining</li> <li>Coke ovens</li> <li>Solid biomass from feedstocks</li> <li>Retrofit ethanol with CCS</li> </ul>
<ul> <li>Synthetic NG from H<sub>2</sub> and CO<sub>2</sub> (e.g. methanation)</li> <li>Synthetic jet fuel from H<sub>2</sub> and CO<sub>2</sub></li> <li>Synthetic jet fuel from H<sub>2</sub> and CO<sub>2</sub></li> </ul>	<ul> <li>Distributed hydrogen electrolysis</li> </ul>
Direct Air Capture           New Inter-Regional CO <sub>2</sub> /H <sub>2</sub> Pipeline, CO <sub>2</sub> /H <sub>2</sub> Storage Capacity	<ul><li>Methanol production</li><li>Ethylene production</li></ul>

### Bioenergy Feedstock Supply Curves in 2050 (U.S. Total)



### **REGEN Strength: Hydrogen Production & Use**



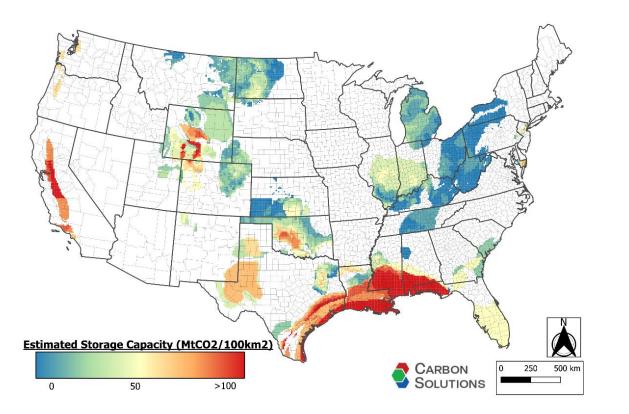
#### REGEN represents multiple hydrogen production and use pathways informed by EPRI LCRI research

Link to REGEN documentation on hydrogen production here



# **REGEN Strength: CO<sub>2</sub> Storage & Pipeline Modeling**

CO<sub>2</sub> Storage Capacity: Reference Case



- REGEN can represent CO<sub>2</sub> storage and injection costs, and new CO<sub>2</sub> pipelines between model regions
- Costs and capacity based on a recent <u>LCRI study</u> with Carbon Solutions, with three scenarios to capture uncertainty related to formation thickness, porosity, and permeability
- Requires significant geological data and modeling

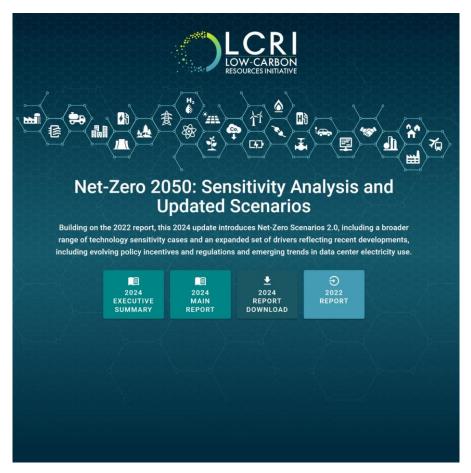
#### Leveraged recent EPRI LCRI research to understand cost and availability of CO<sub>2</sub> storage

Link to REGEN documentation on CO<sub>2</sub> storage <u>here</u>

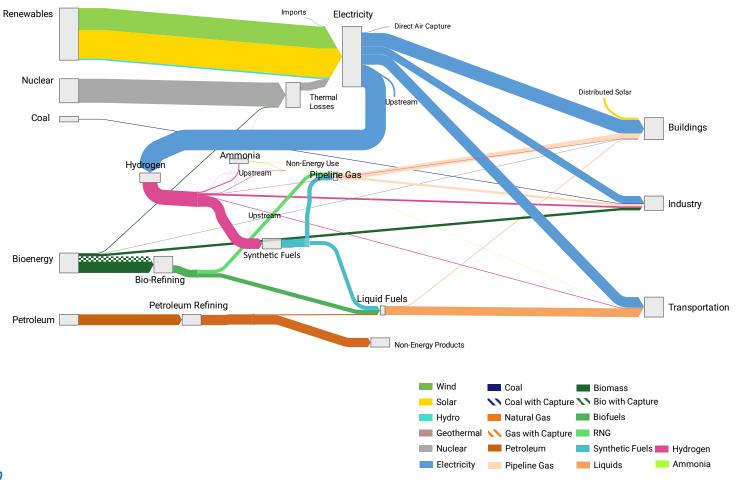


### Use Case: LCRI Net-Zero Report 2024

Scenario analysis of technological pathways to economy-wide net-zero emissions in the U.S, with sensitivities to nuclear costs, CCS costs, bioenergy supply, and natural gas prices



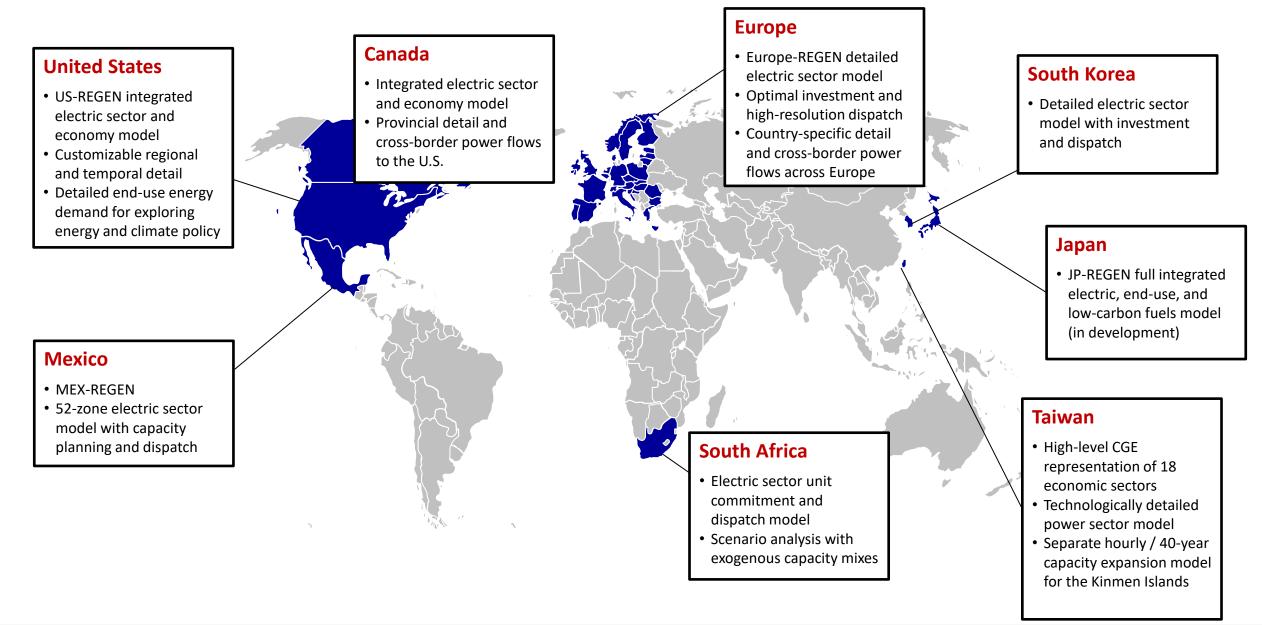
Source: Blanford, et al. (2024), "<u>LCRI U.S. Economy-Wide Deep</u> <u>Decarbonization Scenario Analysis</u>" (EPRI ID 3002031777)



# International REGEN & Additional Resources



### **Global REGEN Energy-Economic Modeling Efforts**



#### **Every REGEN Model Is Customized to the Research Question**

#### Mexico

Assisting CFE strategy for decarbonization and renewable integration



- Electric model only
- 52 zones, 3-5 year steps to 2050
- Integration of renewables
- Value of natural gas
- Energy flows with the U.S.

#### Canada

Evaluating provincial and federal electrification opportunities and pathways to net-zero



- Electric and energy use model
- Canada provinces + 16 U.S. regions
- 5 year timesteps to 2050
- Climate zones, building types, end use technology detail
- Fuels model under construction

#### South Korea

Evaluating the 9<sup>th</sup> & 10<sup>th</sup> Basic Plan for Meeting South Korea CO<sub>2</sub> Reduction Goals



- Electric model only
- 9 regions, 2 year steps to 2050
- Integration of renewables
- Low carbon technologies and storage



# **Coming Soon: Open-Source REGEN**

#### **California-REGEN**



#### US-REGEN Electric/Fuels Model



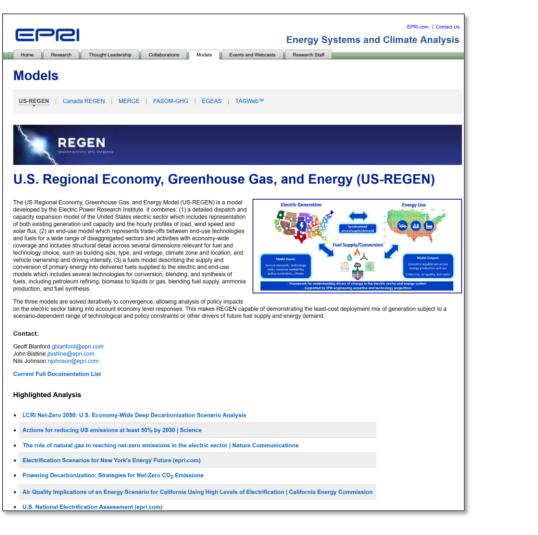
#### Expected: Q4 2025

EPRI is developing the California-REGEN electric sector model for use by the California Energy Commission and linking it to PLEXOS to help the CEC understand the reliability implications of deep decarbonization policies such as California SB100 (Clean Electricity Standard). The model will be publicly available c. Q4 2025 after CEC completes a report on the work.

Expected: Q2 2025

EPRI intends to make the full US-REGEN electric and fuels model open source in 2025, with user manual and updated documentation.

#### **Other Resources**



#### https://esca.epri.com/usregen

US-REGEN Documentation		Version 2021A LCR			
ome Iodel Structure and Approach	US-REGEN Model Documentation				
source and Technology sumptions oliography	Version 2021A LCRI	Change version			
ct Us   Copyright Policy   Privacy Statement	Welcome				
Cookle Policy   Terms of Use 420 Hillview Avenue, Palo Alto, California 94304 ctric Power Research Institute, Inc. 2001-2024. All Rights Reserved	Initial Release Documentation for the LCRI-enhanced US-REGEN model was last updated on Feel free to browse the pages, and please send feedback/questions to lcri@u				
	Please choose a navigation option:  1. Start reading: Overview  2. Select a resource or technology component on the energy pathways diagram (below)  3. Browse table of contents (sidebar menu)  4. Search by keyword or heading (search icon)  Energy Pathways				
	Click a node to view its assumptions page. You can also zoom/pan the diagram it PRIMARY ENERGY CONVERSION DELIVERY & STORAGE	f needed.			
	Renewable Resources Electricity Generation Delivery & Storage	Buildings			
	8 Nuclear Fuel Ammonia & Fuel Synthesis	Industry			
	Focial Fuels Refining	Transportation			
	Biomass Biorefining				
	CO2 MANAGEMENT Natural Climate Direct Air Solutions Direct Air Capture Storage				
	RESET ZOOM				

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AEP, Duke, Entergy, FirstEnergy, Great River Energy, Kansas City Power and Light, NYPA, Oglethorpe, PacifiCorp, Progress Energy, Salt River Project, Southern Company, TVA

- Members of P178 and P201
- Members of the LCRI and Climate READi initiatives
- EPRI subject matter experts
- Participants in the <u>Energy Modeling Forum</u> and other multi-model comparison projects



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