

Economic Parameters	
Reference Scenario	Improved Scenario
YEAR FOR BASELINE ESTIMATE - b10	YEAR FOR BASELINE ESTIMATE - c10
UTILIZATION FACTOR - b11	UTILIZATION FACTOR - c11
CONTINGENCY - b12	CONTINGENCY - c12
ROYALTY THRU YR 10 - b13	ROYALTY THRU YR 10 - c13
ROYALTY AFTER YR 10 - b14	ROYALTY AFTER YR 10 - c14
DISCOUNT RATE FOR MAKEUP CALCULATIONS - b15	DISCOUNT RATE FOR MAKEUP CALCULATIONS - c15
FIXED CHARGE RATE - b16	FIXED CHARGE RATE - c16
YEAR OF PROJECT INITIATION - b17	YEAR OF PROJECT INITIATION - c17
DURATION OF EXPLORATION PHASE - b18	DURATION OF EXPLORATION PHASE - c18
DURATION OF CONFIRMATION PHASE - b19	DURATION OF CONFIRMATION PHASE - c19
DURATION OF WELL FIELD DEVELOPMENT PHASE - b20	DURATION OF WELL FIELD DEVELOPMENT PHASE - c20
DURATION OF PLANT DESIGN PHASE - b21	DURATION OF PLANT DESIGN PHASE - c21
DURATION OF DECOMMISSIONING, DISMANTLEMENT AND DEMOLITION - b22	DURATION OF DECOMMISSIONING, DISMANTLEMENT AND DEMOLITION - c22
CALCULATE BBE ON USER INPUT - b24	
MARKET PRICE - b25	
INTERNAL RATE OF RETURN - b26	INTERNAL RATE OF RETURN - c26

26

Resource Definition

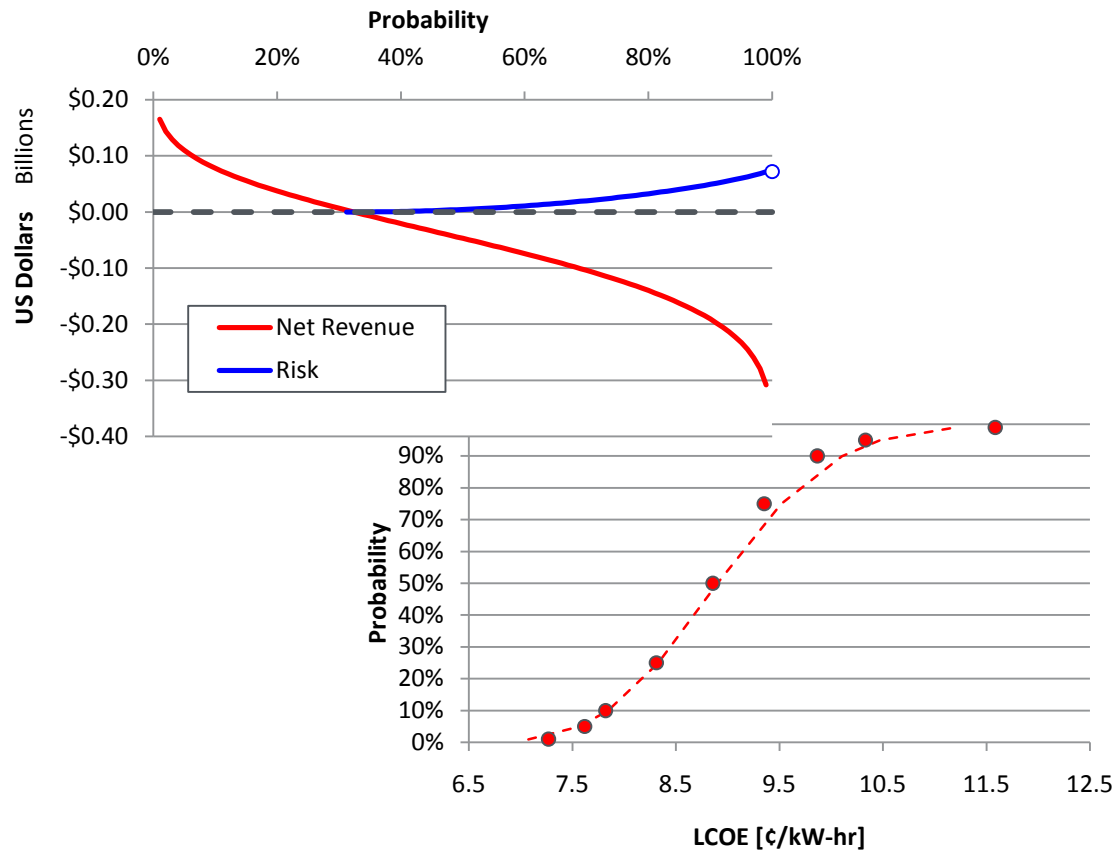
GEOTHERMAL RESOURCE TYPE - b30
IS EGS DEFINED BY TEMPERATURE GRADIENT - b31
PARAMETER USED WITH TEMPERATURE GRADIENT - b32
EARTH TEMPERATURE GRADIENT - b33
AVERAGE GROUND TEMPERATURE AT SURFACE - b34
TEMPERATURE DIFFERENCE BETWEEN GEOLUID AND ROCK AT BOTTOM OF PRODUCTION WELL - b35
DESIGN TEMPERATURE FOR EGS PLANT - b36
RESOURCE TEMPERATURE - b37
RESOURCE DEPTH - b38

38

Resource Exploration

RESOURCE STATUS - b42	POTENTIAL RESOURCE FOUND BY EXPLORATION AND CONFIRMATION ACTIVITIES - b43
POTENTIAL RESOURCE FOUND BY EXPLORATION AND CONFIRMATION ACTIVITIES - b43	POTENTIAL RESOURCE FOUND BY EXPLORATION AND CONFIRMATION ACTIVITIES - c43
ARE EXPLOSION COSTS TO BE PROPORTIONED BASED ON POTENTIAL RESOURCE - b44	ARE COSTS OF UNSUCCESSFUL EXPLORATION PROJECTS TO BE INCLUDED - b45
EXPLORATION PROJECTS SUCCESS RATE - b46	EXPLORATION PROJECTS SUCCESS RATE - c46
WILL EXPLORATION WELLS BE DRILLED - b48	IS THE NUMBER OF EXPLORATION WELLS DRILLED BASED ON THE SUCCESS RATE - b49
SUCCESS RATE - b50	NUMBER OF EXPLORATION WELLS DRILLED - b51
EXPLORATION SUCCESS RATE USED - b52	EXPLORATION SUCCESS RATE USED - c52
MULTIPLIER FOR EXPLORATION WELL COSTS - b53	COST CURVE USED IN DETERMINING EXPLORATION WELL COSTS - b54
EXPLORATION WELL DEPTH MULTIPLIER - b55	EXPLORATION WELL COST USED - b56
EXPLORATION WELL COST USED - b56	EXPLORATION WELL COST USED - c56
HOW ARE EXPLORATION NON-DRILLING COSTS DETERMINED - b58	LUMP SUM COST FOR ALL NON-DRILLING EXPLORATION ACTIVITIES - b59
LUMP SUM COST FOR ALL NON-DRILLING EXPLORATION ACTIVITIES - b59	HOW ARE EXPLORATION NON-DRILLING COSTS DETERMINED - c5

59



Systems Engineering Analysis

June 06, 2011

Thomas S Lowry
Sandia National Laboratories

Analysis

Sandia National Laboratories is a multi-program laboratory managed and operated by Sandia Corporation, a wholly owned subsidiary of Lockheed Martin Corporation, for the U.S. Department of Energy's National Nuclear Security Administration under contract DE-AC04-94AL85000.

- GT-Mod - a simulation and analysis tool for geothermal physical and economic performance assessment
 - Two Tasks:
 - Systems modeling
 - Stochastic reservoir simulations
 - Seamlessly connects physical performance and economic estimates
 - Quantitative Risk Assessment
 - Accounts for full range of uncertainties across any combination of inputs
 - Leverages ongoing work in reservoir modeling and economic analysis
- Support decision makers and analysts from DOE, Industry, other National Labs
 - Risk-based decision making
 - Identify key uncertainties to reduce risk

- **Timeline**
 - FY09 (July – Sept.): Demonstration Study
 - FY10: Year 1: Implementation
 - FY11: Year 2: Beta version (fully capable)
- **Budget**
 - FY09: \$125,000, AOP
 - FY10: \$500,000, AOP, \$115k spent
 - FY11: \$385k carryover / \$350k spent, \$400k due in May

	Start	Finish	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Systems Model													
Alpha Version	2010	Feb-11											
Beta-1	Jan-11	May-11											
Beta-2	May-11	Dec-11											
Stochastic Simulations													
Homogeneous	2010	May-11											
Heterogeneous	May-11	Dec-11											



Carryover



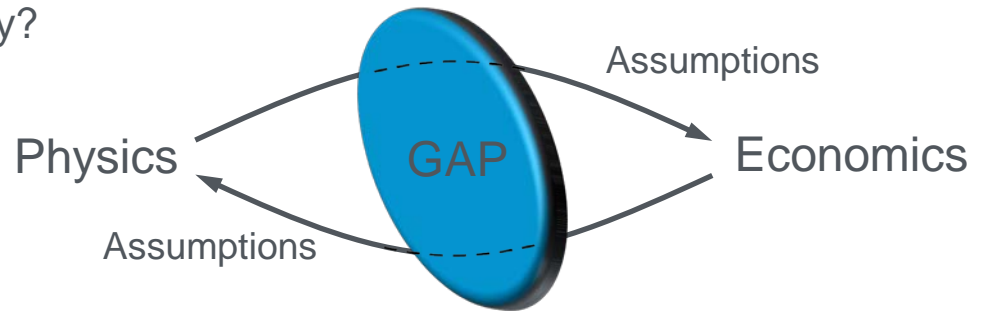
FY11 Funding

- **Challenges**

- How to include 'realistic', physics based simulations in a system dynamics model
- Connect physical performance with economic performance
- How do we deal with uncertainty?

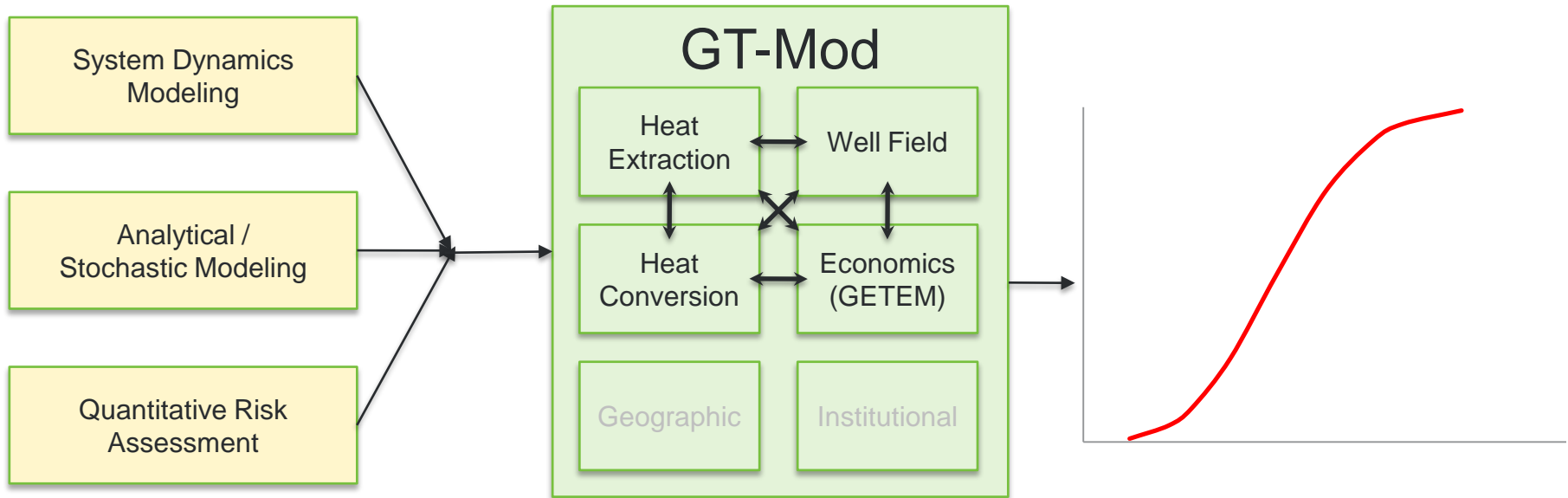
- **Impacts**

- Increases decision certainty
- Defines the 'solution space'
- Turns information into insight
- Identifies and prioritizes areas where improvements and/or better understanding will impact the bottom line the most



- **Innovation**

- System dynamics: combines realistic, physics based simulations at the component level to simulate total system performance
- Risk assessment addresses the always-constant uncertainties to produce probabilistic output of total system performance for any metric of interest
- Modular architecture can be easily extended and adapted to other problems or other analyses

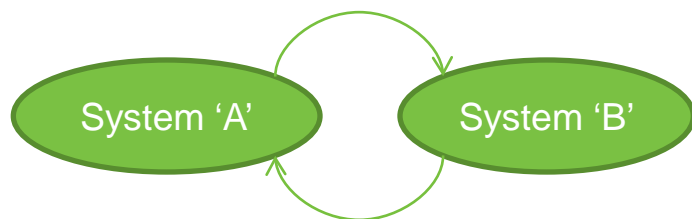


Combine:

- System Dynamics Modeling
- Analytical and Stochastic Modeling
- Quantitative Risk Assessment

SYSTEM DYNAMICS

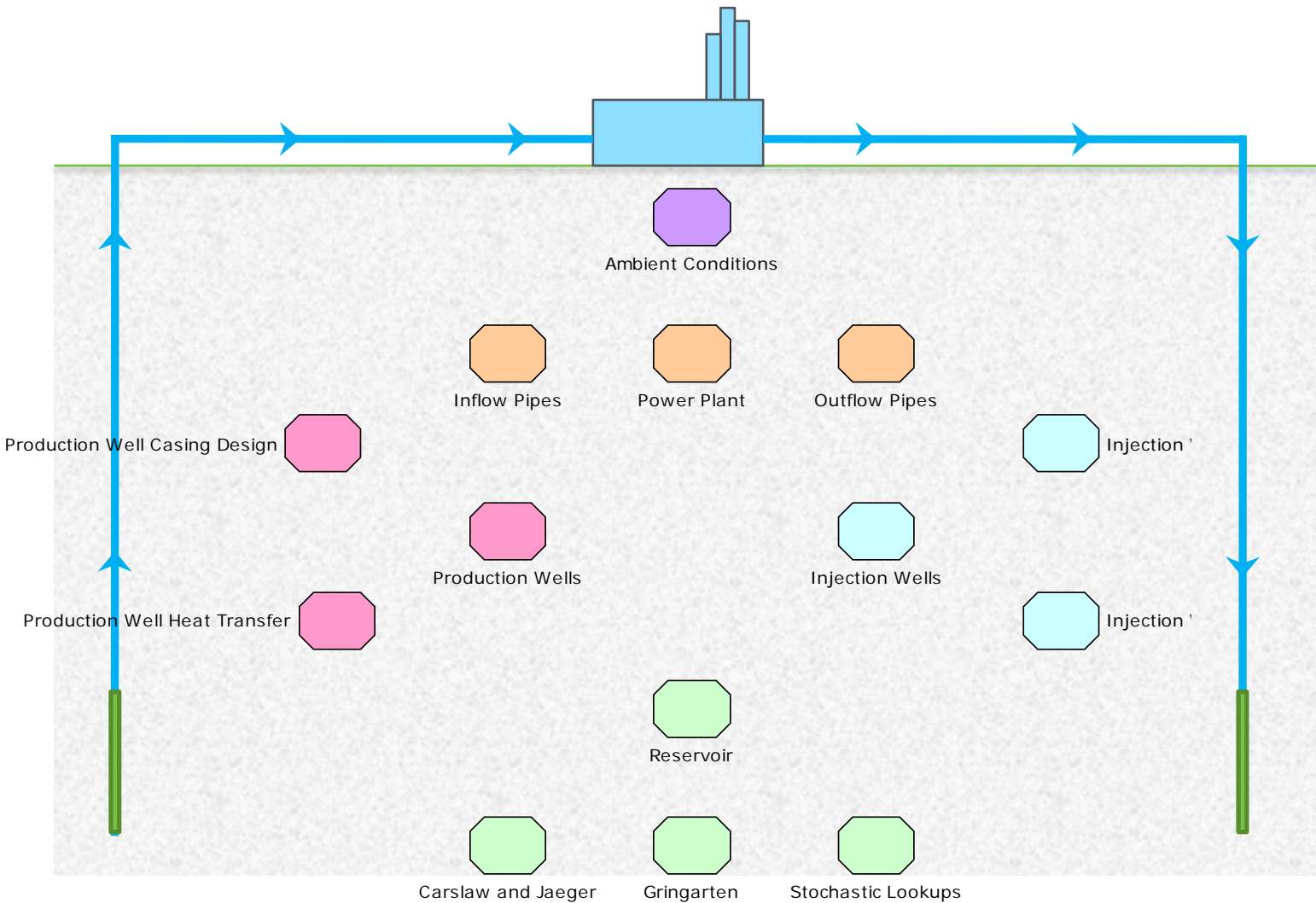
- SD captures the temporal dynamics between connected systems and sub-systems
- Temporal dynamics capture direct influences, as well as feedbacks and delays and are defined by 'causal loops' (pde's)
- SD is easily scalable to the spatial or temporal scale of interest
- Deployable to multiple users
- GT energy production is comprised of many, integrated causal loops, across a wide range of temporal and spatial scales

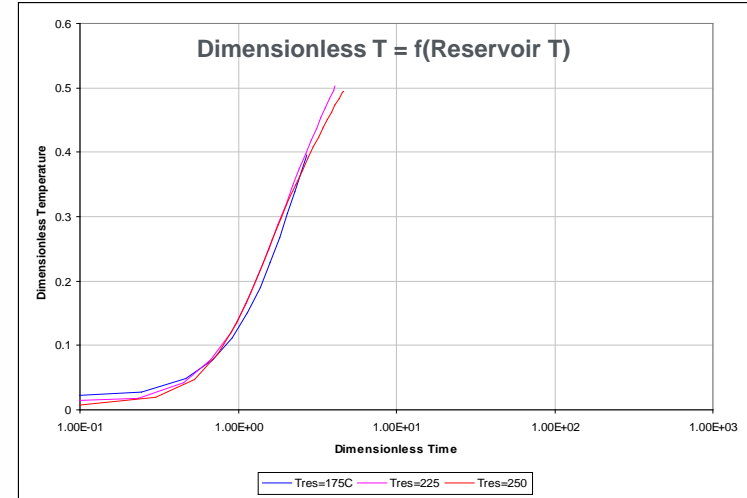
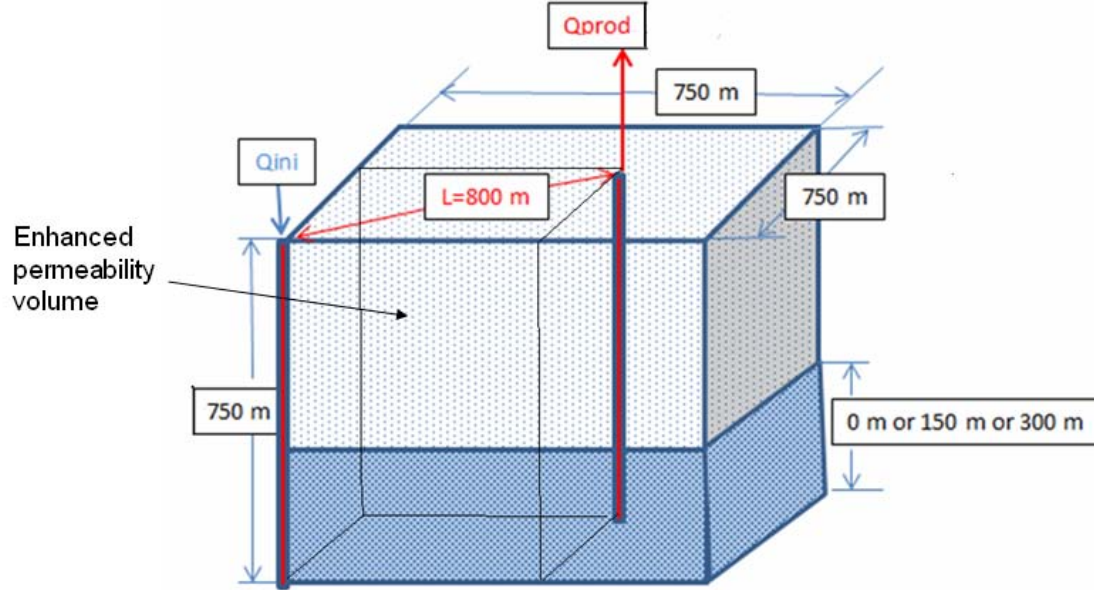


Schematic of a causal loop where the state of system 'A' is dependent on the state of system 'B', which in turn is dependent on the state of system 'A'

$$\frac{\partial A}{\partial t} = mB + n \quad \frac{\partial B}{\partial t} = pA + q$$

Mathematically, a causal loop can be represented as a system of partial differential equations.



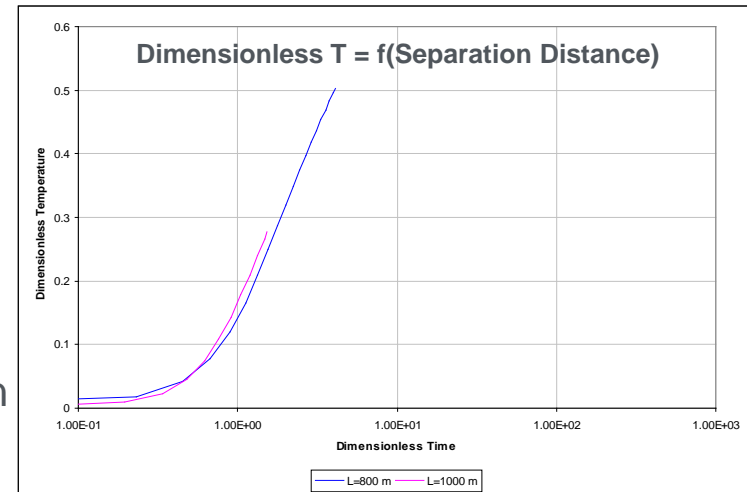


Dimensionless Temp

$$T_d = \frac{T_{res} - T}{T_{res} - T_{inj}}$$

Dimensionless Time

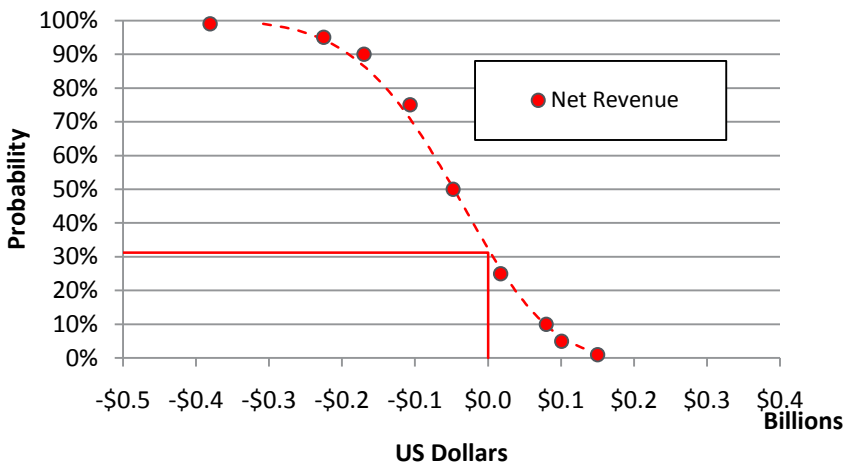
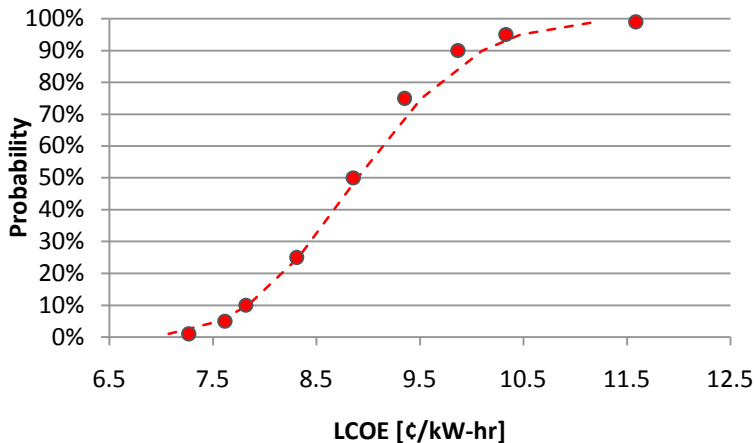
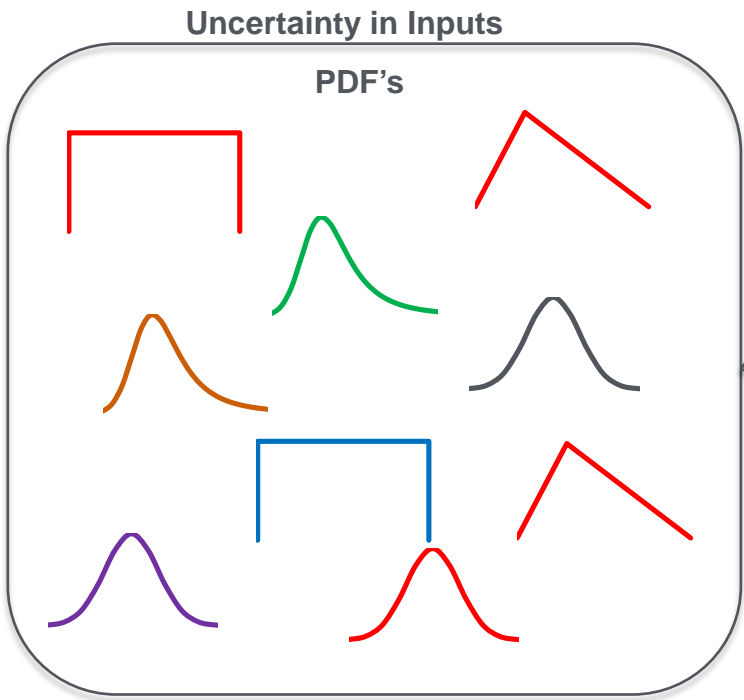
$$t_d = \frac{(\rho_w c_w)^2}{\rho_r c_r K_r} \left[\frac{Q}{LBN_{fr}} \right]^2 (t - t_{lag})$$



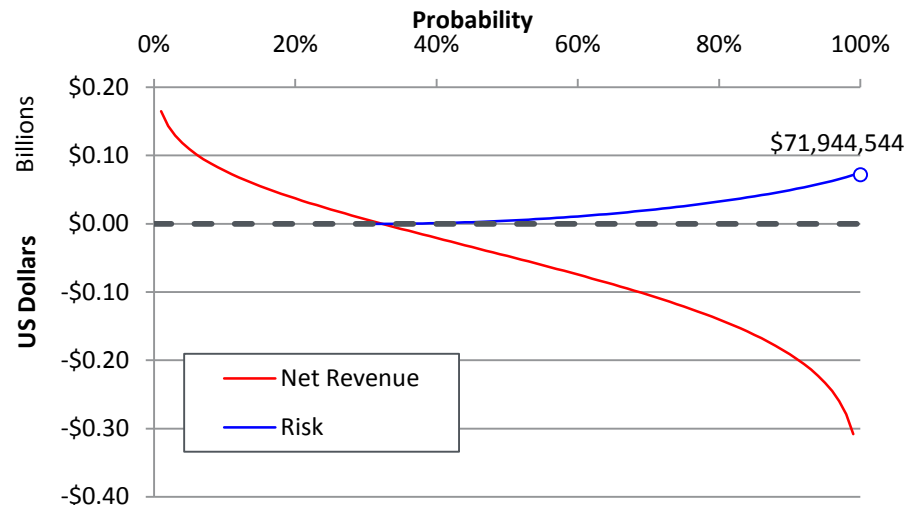
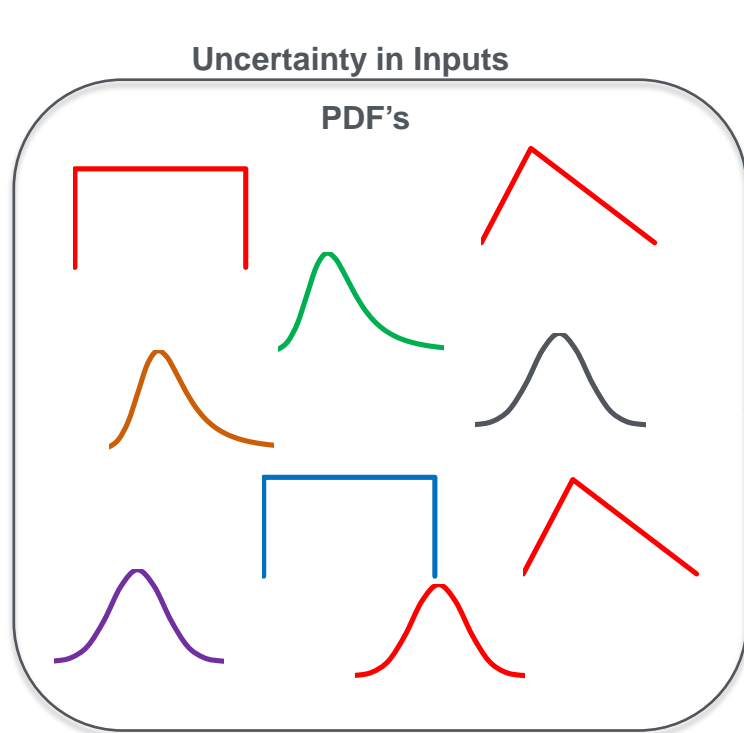
Stochastic Simulations

- Homogeneous and Heterogeneous
- Dimensionless Parameter Approach ala Gringarten
- Develop lookup tables for systems model

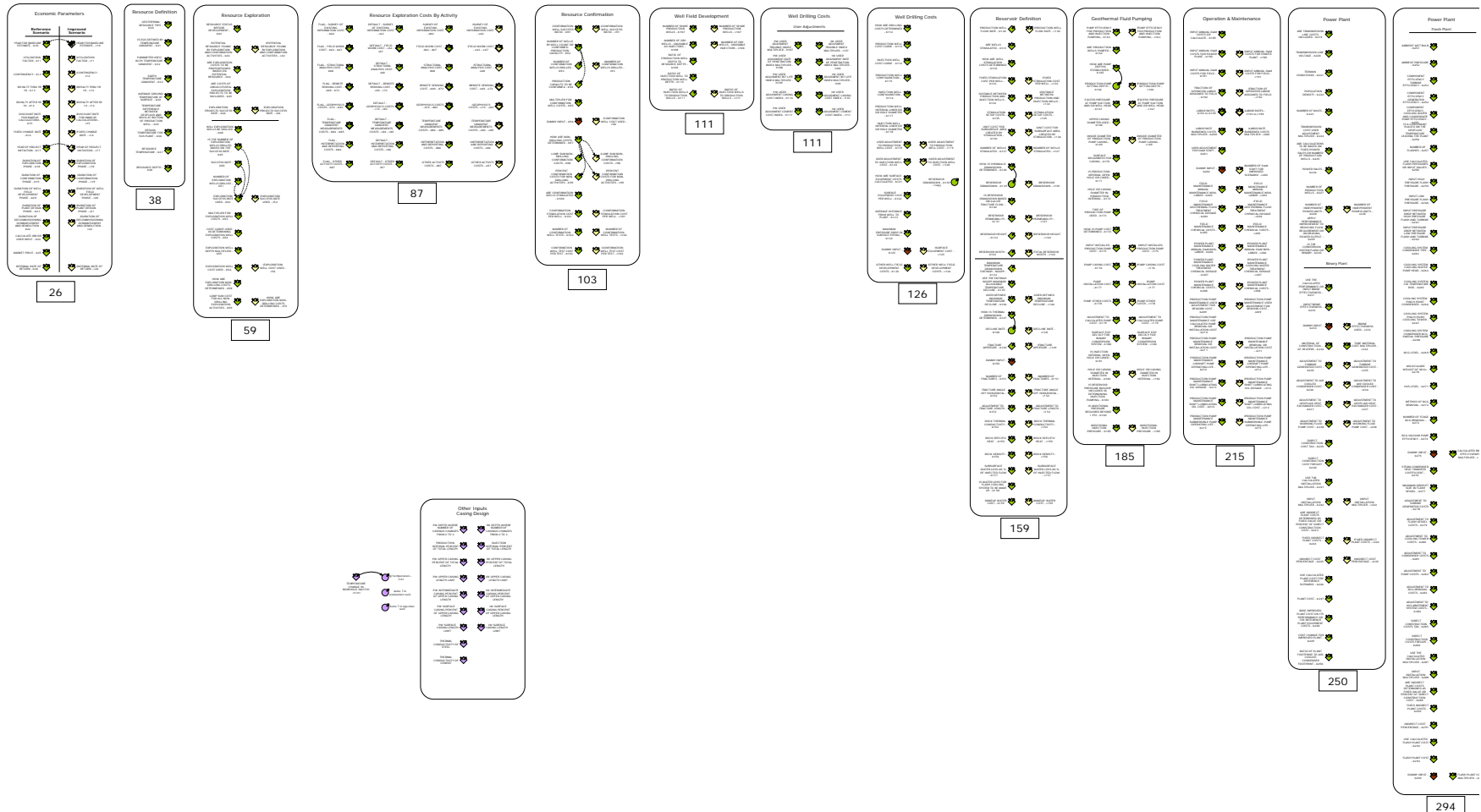
- Quantitative Risk Assessment
 - Risk = sum(consequence x probability)
 - Increases 'decision certainty'
 - Uncertainty = Risk



- Quantitative Risk Assessment
 - Risk = sum(consequence x probability)
 - Increases 'decision certainty'
 - Uncertainty = Risk

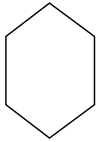


- Two-way Dynamic Connection with GETEM
 - Can use PDF input for any of the 300+ inputs to GETEM

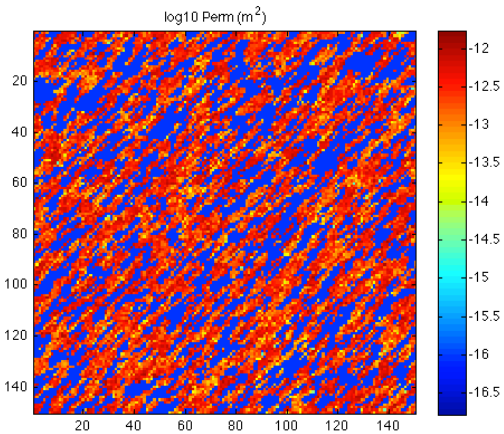
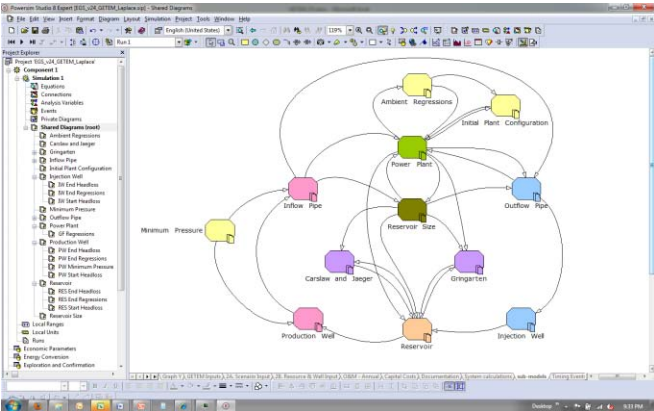




- Two-way Dynamic Connection with GETEM
 - Can use PDF input for any of the 300+ inputs to GETEM



Accomplishments, Results and Progress



	Alpha	Beta-1	Beta-2
<i>Completion Date</i>	Jan. 31, 2011	Mar. 31, 2011	Sep. 30, 2011
<i>Thermal Performance</i>	<ol style="list-style-type: none"> 1. Carlslaw & Jaeger 2. Gringarten 3. Constant Drawdown 	<ol style="list-style-type: none"> 1. Carlslaw & Jaeger 2. Gringarten 3. Constant Drawdown 4. Task 2 - Homogeneous 	<ol style="list-style-type: none"> 1. Carlslaw & Jaeger 2. Gringarten 3. Constant Drawdown 4. Task 2 - Homogeneous 5. Task 2 - Heterogeneous
<i>Well Dynamics</i>	<ol style="list-style-type: none"> 1. Single Diameter 2. Constant heat loss/gain 	<ol style="list-style-type: none"> 1. Multiple Casings 2. Constant heat loss/gain 	<ol style="list-style-type: none"> 1. Multiple Casings 2. Variable heat loss/gain 3. Pump Placement
<i>Power Generation</i>	<ol style="list-style-type: none"> 1. 2nd Law Theory 	<ol style="list-style-type: none"> 1. 2nd law theory 2. Binary plant model 	<ol style="list-style-type: none"> 1. 2nd law theory 2. Binary plant model 3. Flash plant model
<i>Economics</i>	1-way static to GETEM	1-way dynamic to GETEM	2-way dynamic with GETEM
<i>Interface</i>	<ol style="list-style-type: none"> 1. Physical Inputs 2. GETEM Inputs 3. Basic Outputs 	<ol style="list-style-type: none"> 1. Physical Inputs 2. GETEM Inputs 3. Basic Outputs 4. Basic GETEM Outputs 	<ol style="list-style-type: none"> 1. Physical Inputs 2. GETEM Inputs 3. Full Outputs 4. Full GETEM Outputs 5. Risk Analysis Outputs
<i>Risk Analysis</i>	None	Physical parameters	Physical and economic parameters

Presentations: Stanford 2010, GRC 2010, GRC 2011 (accepted)

- Moving target
 - Project has been re-scoped several times to try and fit specific needs
 - Current scope (systems modeling for quantitative risk assessment) set's the project apart and fill's an important gap in the geothermal analysis toolset
- Delays in receiving funding created a man-power issue early in the project – FY10 carryover

	Start	Finish	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Systems Model													
Alpha Version	2010	Feb-11											
Beta-1	Jan-11	May-11											
Beta-2	May-11	Dec-11											
Stochastic Simulations													
Homogeneous	2010	May-11											
Heterogeneous	May-11	Dec-11											



Carryover



FY11 Funding

- As a pure analysis tool, no physical data are being created
- It is anticipated that analysis results for specific problems will be published through internal reports, conference proceedings, and peer-reviewed journals

- Partners
 - No official co-funded partners
 - Integrating closely with INEL (GETEM) and NREL (economic analyses)
 - Will leverage 3-D simulation efforts at Sandia and INEL

- Modeling:
 - Thermal performance: complete and add results from stochastic simulations
 - Well dynamics: add well pump dynamics
 - Power generation: add binary and flash power plant models at the component level (heat exchanger, turbine/generator, cooling, etc.)
 - Economics: quality check linkages with GETEM
 - Risk Assessment: add user interface for defining PDF's and setting output
 - Interface: Design and complete GUI's for 'Basic', 'RA', and GETEM
- Using GT-Mod for analysis of specific problems

- Deployment
 - Beta-2 version deployed to DOE and others via a player license for Powersim
 - May prove problematic due to licensing change from Powersim
- Beyond FY11
 - Refinements to different components, esp. thermal performance & power generation
 - Geostatistical approaches
 - Finite analytic approaches
 - Maturing the interface and simulation capabilities
 - Inclusion of 3-D model results from other Labs
 - Adding additional functionality incl. geographic, institutional, power grid, etc.

- GT-Mod: A simulation and analysis tool for geothermal physical and economic performance assessment
- Combines:
 - System Dynamics Modeling
 - Analytical and Stochastic Modeling
 - Quantitative Risk Assessment to support decision making

Task	Item / Component	Model Progress*
1. System Dynamics Modeling	Reservoir model	<div><div></div></div> 90%
	Well dynamics	<div><div></div></div> 80%
	Power plant	<div><div></div></div> 50%
	Economics	<div><div></div></div> 90%
	Risk Assessment	<div><div></div></div> 75%
	Interface	<div><div></div></div> 40%
2. Stochastic Modeling	Homogeneous	<div><div></div></div> 90%
	Heterogeneous	<div><div></div></div> 40%

*Model progress does not necessarily reflect the relative time for completing a task