Ecological-economic analysis of instruments to govern future wind power deployment

Modelling results on minimum distance regulations for wind turbines

Felix Reutter, M.A.

UFZ Energy Days, 25 September 2018, Leipzig Special Session: "Managing the Ecological Impacts of Wind Power Development"



Background and Motivation

- Transition of the energy system ("Energiewende"): extensive increase in wind power generation planned
- Wind turbines (WT) have many advantages over fossil fuels: renewable, climate friendly, no nuclear threat, etc.
- > However: WT have some negative environ. impacts \rightarrow external costs
- Focus of my work (partial analysis):
 - Utility loss for residents
 Frequently opposition to WT in direct vicinity
 → the closer a WT to residents, the more problematic
 - Wildlife conservation problem: Red kite collision losses
 → the closer a WT to red kite nests, the more problematic



Research Question

How can different policy options to govern the future spatial wind power deployment be assessed from an ecological-economic perspective?

today: minimum distance regulations for wind turbines

Method: Modelling approach

✤ <u>Study area</u>: Federal State of Saxony

GIS-based determination of potential sites for WT

 physical and legal suitability (cf. Bovet 2015, Masurowski 2016)

→ e.g. waters, nature protection areas, infrastructure elements like streets, etc. are excluded (with certain buffers)

Potential energy yield of all potential sites

 Weibull parameter + power curve of reference WT (Nordex N131)

Method: Modelling approach (cont'd.)

Modelling of WT allocations under different policy scenarios

- Assumption: Private investment decisions (goal: profit maximization)
 - \rightarrow Optimization problem for each policy scenario (solved in GAMS):

"Choose those potential sites that are the most profitable until an externally given (political) energy goal is met."

Assessment of the allocations

> What are the (internal, external, and total) costs of the allocations?

Method: Modelling approach (cont'd.)

Cost assessment

(all values discounted over 20 yrs)

I. Internal WT costs (assumed as site-independent)

Literature values for investment + O&M costs

II. External costs for residents

Increasing marginal costs with decreasing resident-WT-distance costs (€) \rightarrow hyperbolic cost function (*cf. Drechsler et al. 2011*, Krekel & Zerrahn 2017, Wen et al. 2018) distance (m)

III. External costs for red kite population burden

- ollision risk Exponential relationship of red kite collision risk and nest-WT-distance (cf. Eichhorn et al. 2012, Rasran & Dürr 2017)
- Increasing marginal costs with increasing red kite exposure \rightarrow parabolic cost function (*cf. Drechsler 2011*)

distance (m)

ol .lugog

costs (€)

Policy Scenarios

Minimum distance regulations: affect availability of potential sites

- red kite nests:
 - ➢ 0m, 1000m, 1500m
- settlements:
 - Uniform for all settlements
 - > 800m, 1000m, 1200m, 1400m
 - Differentiated between settlements in the outside area (like single farm houses) and inner area (like cities)
 - > 800m/1600m, 800m/1800m

Policy Scenarios (cont'd.)

Minimum distance regulations:

	R0	R1000	R1500
S800			
S1000			arios
S1200		18 sce	na
S1400		· 3x6 = 1	
S800/1600	In tota		
S800/1800			

Results

Example: S800_R0-Scenario



Results (cont'd.)



Conclusions

Minimum distances to red kite nests

- Virtually no cost argument against 1000m or 1500m instead of 0m
- Modelled impacts on red kite costs and total costs indicate advantages of 1000m or 1500m instead of 0m
- With respect to most modeling results (costs) 1500m have either advantages or at least no disadvantages over 1000m
- > 1500m allow to limit red kite (exposure and) costs on a very low level

→ Recommendation for policy makers: 1500m

Conclusions (cont'd.)

Impact of minimum distances to settlements on total costs:

- > Ambiguous with uniform minimum distances (resident c. \downarrow vs. WT c. \uparrow)
- > Beneficial with differentiated minimum distances are (resident c. $\downarrow\downarrow$)
 - Superior having higher min. distances if many residents are affected and lower if only a few are affected over (restrictive) uniform min. dist.
- Social planer level by far not reached (because of resident costs gap)

→ Recommendation: (restrictive) differentiated minimum distances!

- at least if...
 - increase in WT costs is accepted
 - no further siting instrument is considered
 - only a mid-term perspective is chosen (later less restrictive minimum distances might be necessary for reaching long-term energy goals)

References

Bovet, J. (2015): Steuerung der Windenergie durch Raumordnung – Aktuelle Rechtsprechung als Herausforderung für die Planung. Informationen zur Raumentwicklung, Heft 6.2015, 591–602.

Drechsler, M., Ohl, C., Meyerhoff, J., Eichhorn, M. & Monsees, J. (2011): **Combining spatial modeling and choice experiments for the optimal spatial allocation of wind turbines**. *Energy Policy*, vol. 39, 3845–3854.

Eichhorn, M., Johst, K., Seppelt, R. & Drechsler, M. (2012): Model-Based Estimation of Collision Risks of Predatory Birds with Wind Turbines. *Ecology and Society*, vol. 17, art. 1.

Krekel, C. & Zerrahn, A. (2017): Does the presence of wind turbines have negative externalities for people in their surroundings? Evidence from well-being data. *J. Environ. Econ. Manag.*, vol. 82, 221–238.

Masurowski, F. (2016): Eine deutschlandweite Potenzialanalyse für die Onshore-Windenergie mittels GIS einschließlich der Bewertung von Siedlungsdistanzenänderungen. *PhD thesis*, University of Osnabrück.

Rasran, L. & Dürr, T. (2017): Collisions of Birds of Prey with Wind Turbines – Analysis of the Circumstances. In: Hötker, H., Krone, O. & Nehls, G. (eds.): Birds of Prey and Wind Farms – Analysis of Problems and Possible Solutions. Springer. Chapter 12, 259–282.

Wen, C., Dallimer, M., Carver, S. & Ziv, G. (2018): Valuing the visual impact of wind farms: A calculus method for synthesizing choice experiments studies. Science of the Total Environment, vol. 637–638, 58–68.

Thank you for your attention!

Contact

Felix Reutter, M.A. Department of Economics, Doctoral Researcher

Helmholtz Centre for Environmental Research – UFZ Permoserstraße 15 04318 Leipzig (Germany)

Phone: +49 341 235 1701 Email: felix.reutter@ufz.de Website: www.ufz.de/economics