

UTM Perdana Course MFFT 1053

“Ocean Thermal Energy-Driven Development in the Tropics for Sustainability”

by

Dato’ Ir Dr A. Bakar Jaafar, *PEng, FIEM, FASc*

*Professor of UTM Perdana School of Science, Technology, Innovation, & Policy
& Director, UTM Ocean Thermal Energy Centre*

www.otec.utm.my

E-mail: bakar.jaafar@utm.my

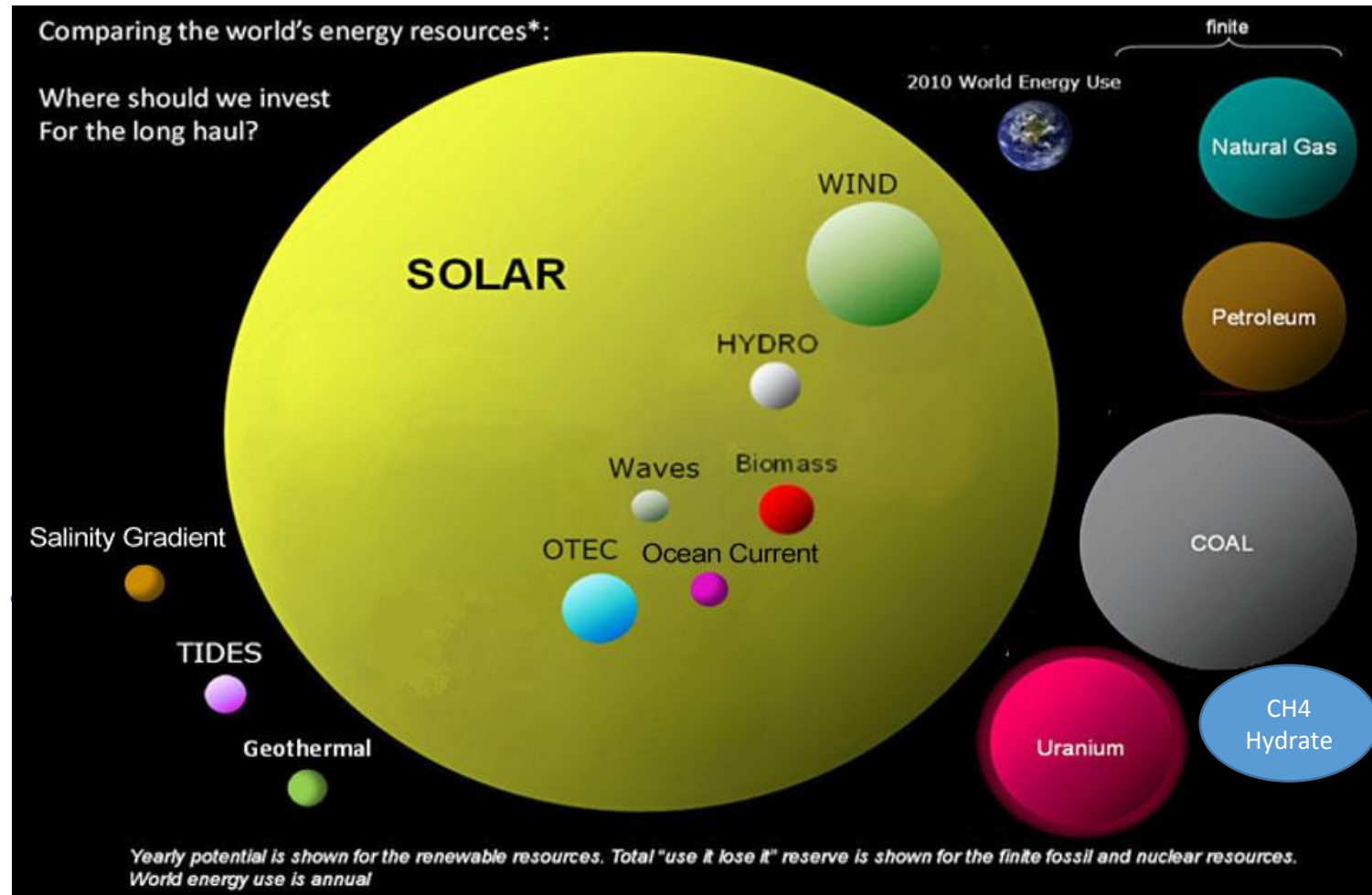
E-mail2: bakar.jaafar@gmail.com

Mobile: +60 12 320 7201

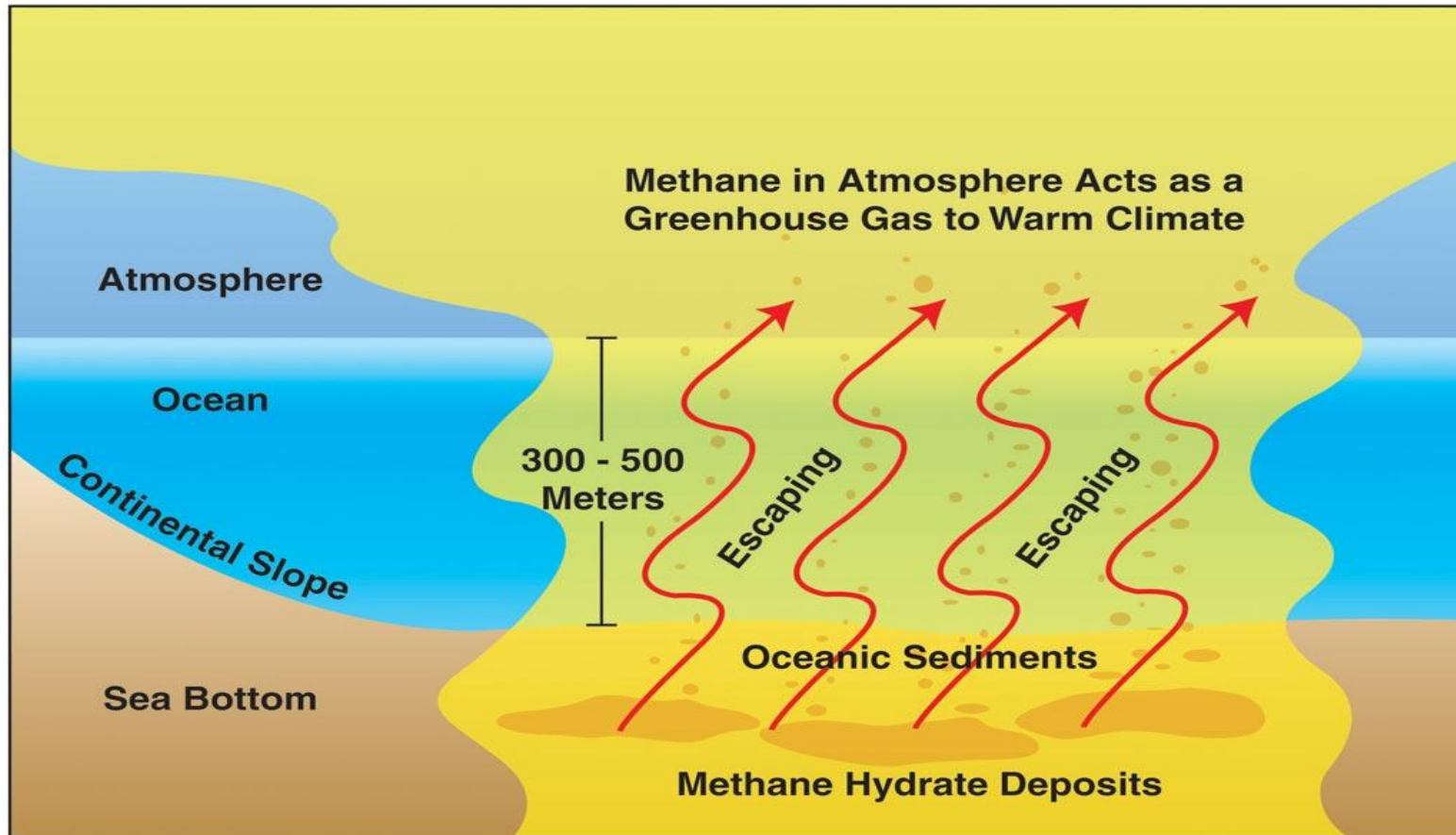
OUTLINE OF PRESENTATION

1. INTRODUCTION
2. SOURCES OF ENERGY, RENEWABLE & NON-RENEWABLE
3. THE WAY FORWARD FOR OCEAN ENERGY DEVELOPMENT IN THE TROPICS: ORDER OF PRIORITY
4. OCEAN THERMAL ENERGY CONVERSION (OTEC)
5. OTEC RESOURCE ASSESSMENT & POTENTIAL
6. THE ECONOMICS OF OTEC vis-à-vis FOSSIL-FUELS & OTHER FORMS OF OCEAN ENERGY
7. BENEFITS: SECURITY [*ENERGY, WATER, FOOD, CYBER*], ENVIRONMENT,
8. THE WAY FORWARD

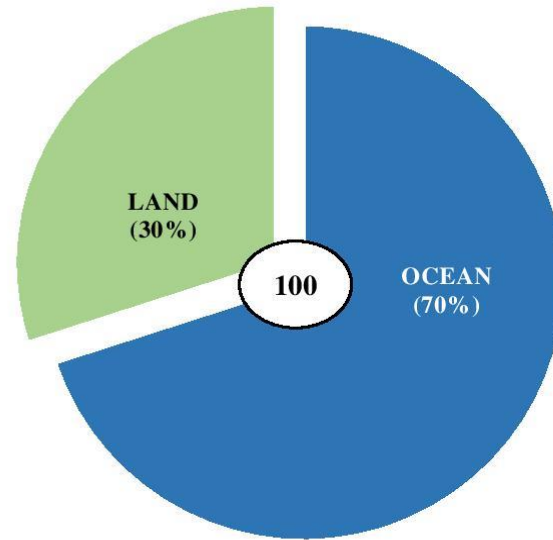
2. SOURCES OF ENERGY: RENEWABLE & NON-RENEWABLE



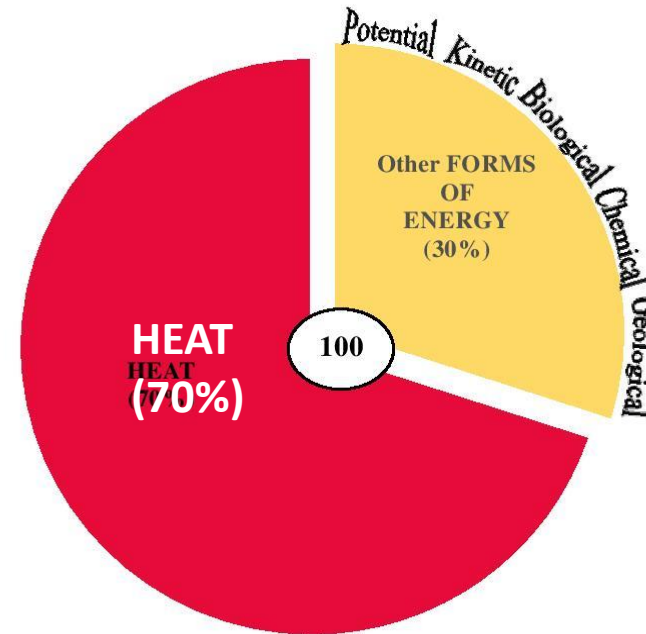
Methane Explosion Warmed Prehistoric Earth



Methane Hydrate: "White Coal"



THE EARTH

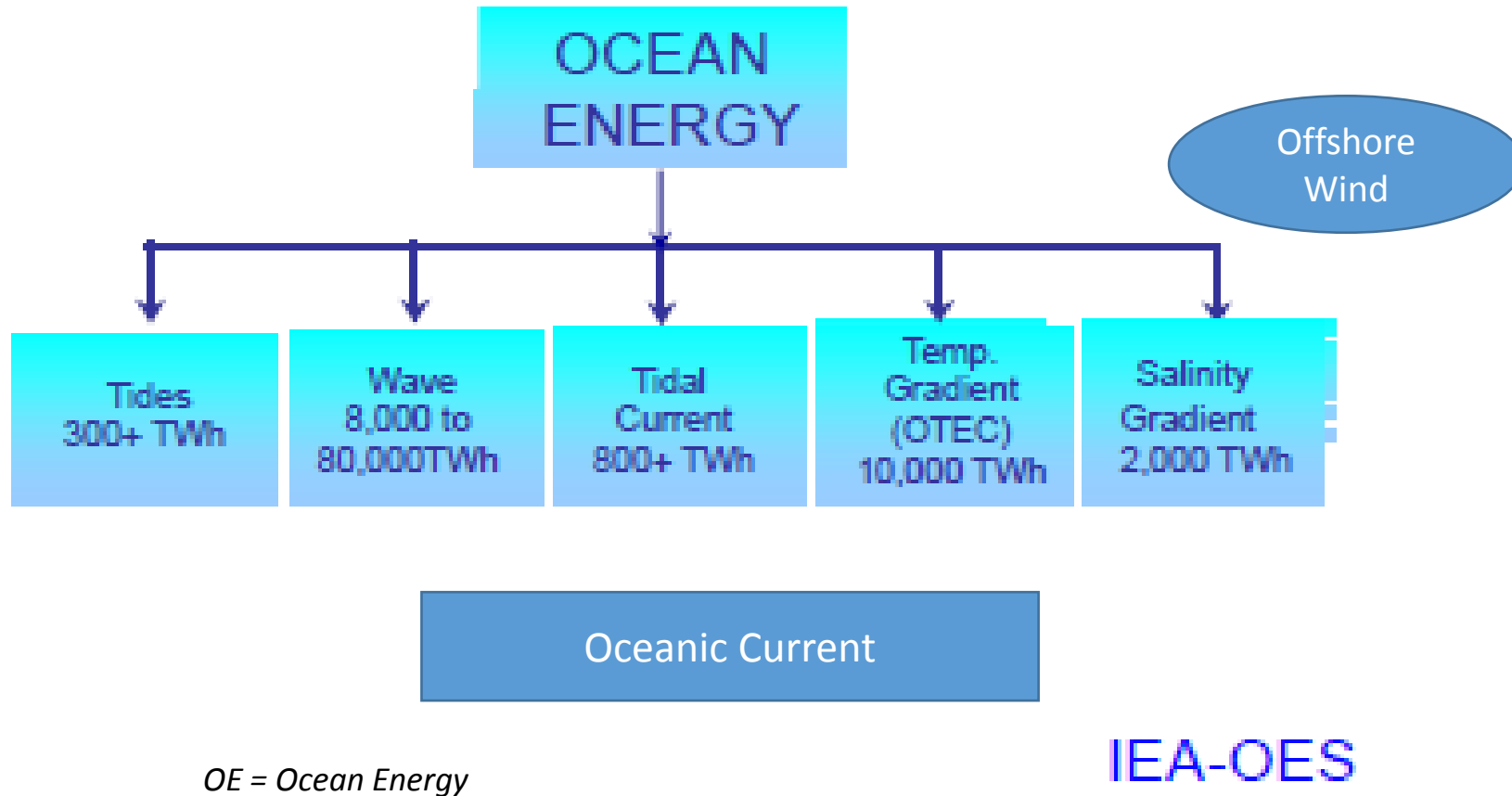


FORMS OF ENERGY

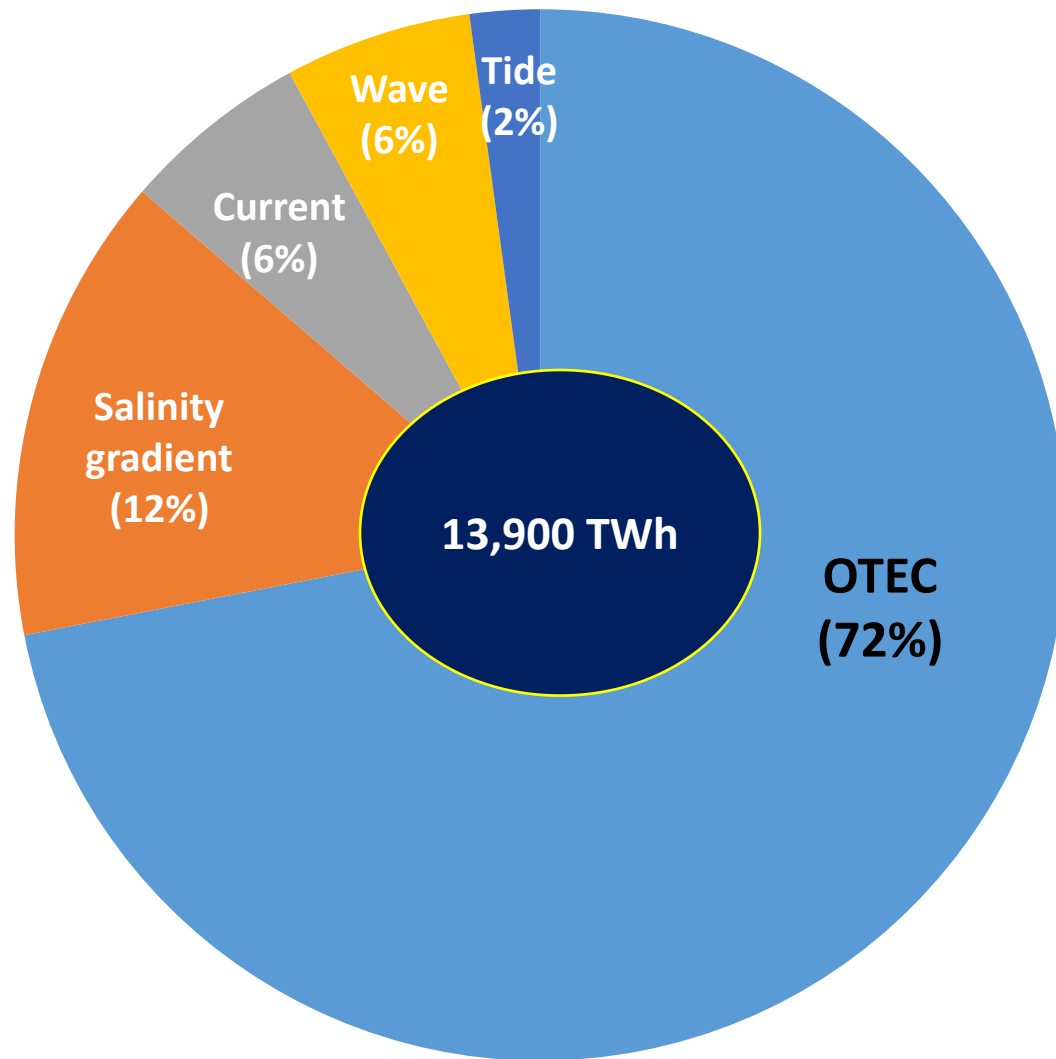
"Among all the forms of energy, we are using today, over 70% are produced in or through the form of heat."

[Ref: Dongsheng Wen et al (2009)]

Forms of OE Resources & Corresponding Estimated Global Annual Theoretical Resources

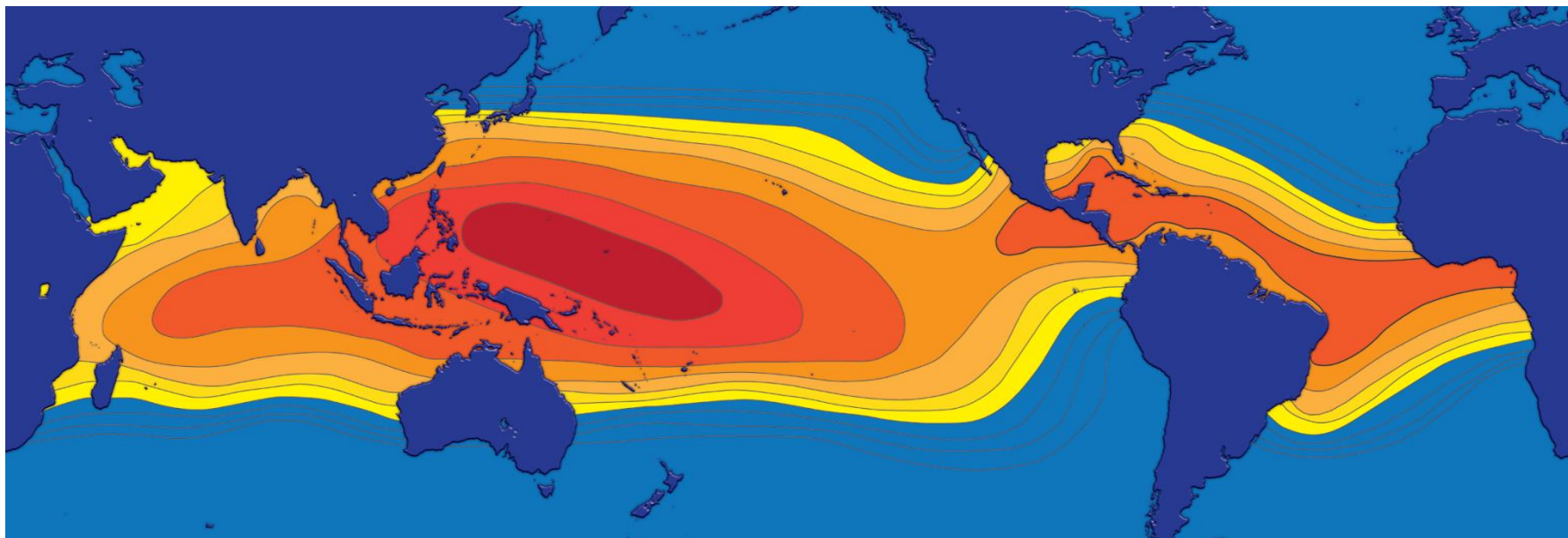
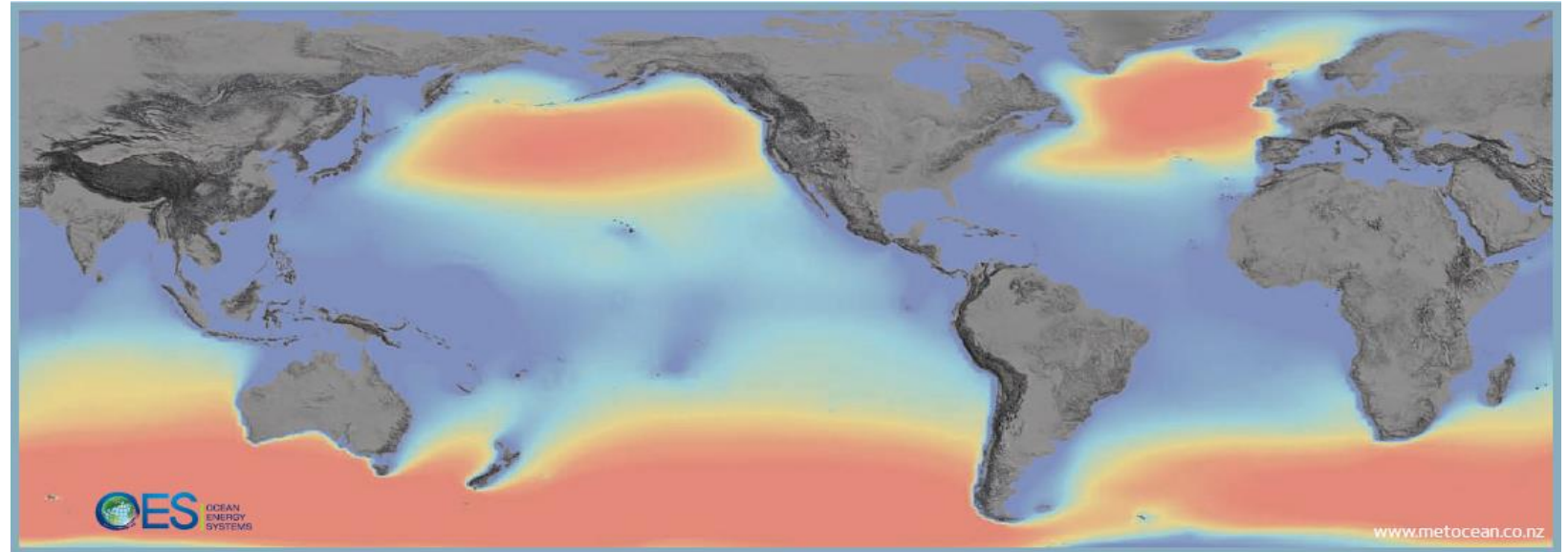


GLOBAL ANNUAL THEORETICAL GENERATION CAPACITY BY FORM OF OCEAN ENERGY



[Data Source: IEA-OES]

Wave Power Potential in Temperate Regions



OTEC Potential in the Tropics & Subtropics

3. THE WAY FORWARD FOR OCEAN ENERGY DEVELOPMENT IN THE TROPICS: ORDER OF PRIORITY

1. Ocean Thermal Energy Conversion (OTEC)
2. Tidal & Ocean Currents
3. Offshore Wind
4. Salinity Gradient, OTEC SpinOff
5. Marine Algae, OTEC SpinOff
6. Wave

4. OCEAN THERMAL ENERGY CONVERSION

OTEC Legal Definition:

“OCEAN THERMAL ENERGY CONVERSION”

“... a method of converting part of the heat from the Sun which is stored in the surface layers of a body of water into electrical energy or energy product equivalent”;

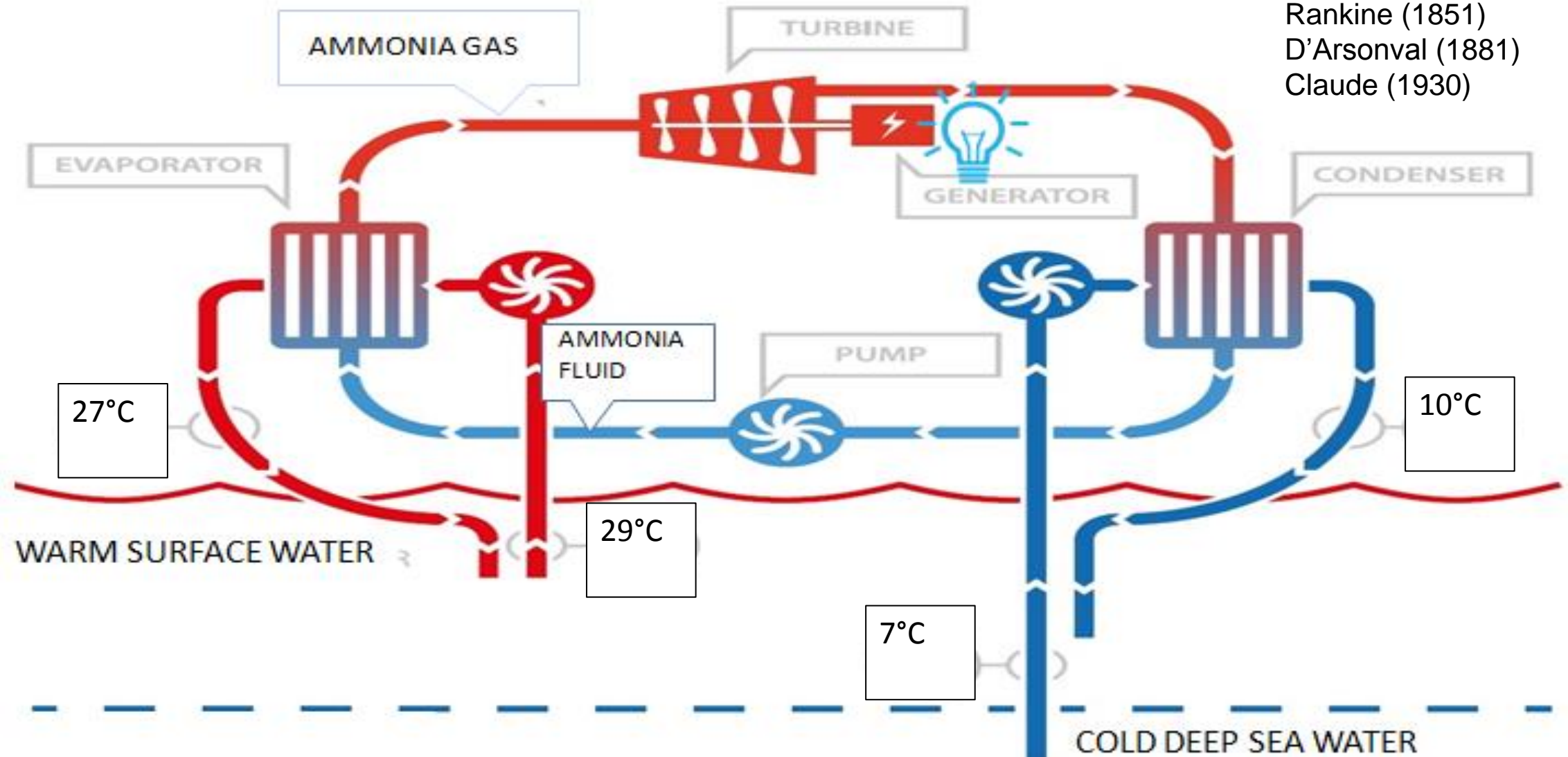
[Pub. L. 96-310, Sec. 9, July 17, 1980, 94 Stat. 946.]

Ref:

<http://uscode.house.gov/download/pls/42C98.txt>

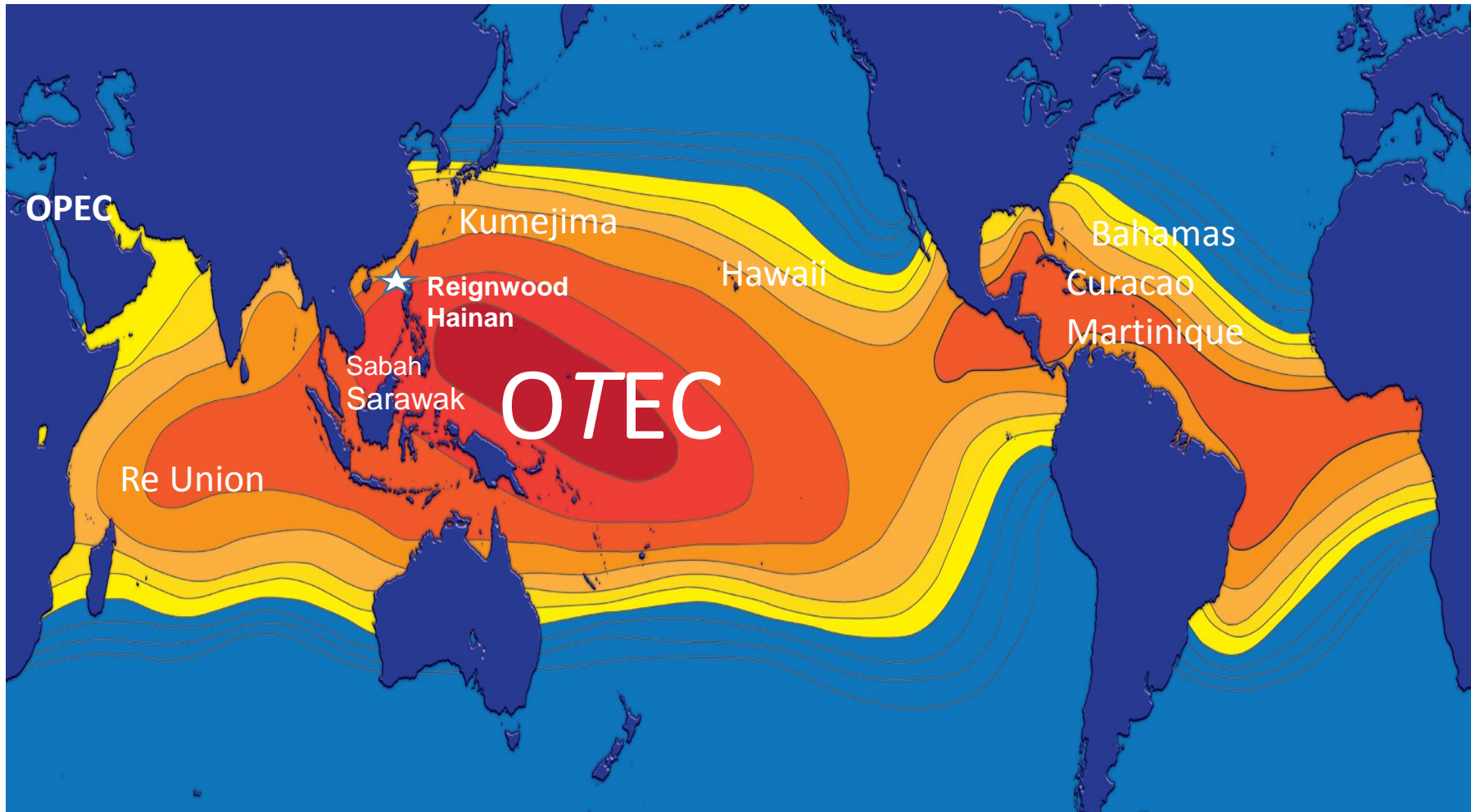
PRINCIPLE OF OTEC

Al-Quran 24:40 (610-632)
Rankine (1851)
D'Arsonval (1881)
Claude (1930)



5. OTEC RESOURCE ASSESSMENT & POTENTIAL

Global OTEC Potential & Development: From OPEC to OTEC



OTEC Resource Assessment & Potential in The Tropics

DEPTH-TEMPERATURE PROFILE @7°C

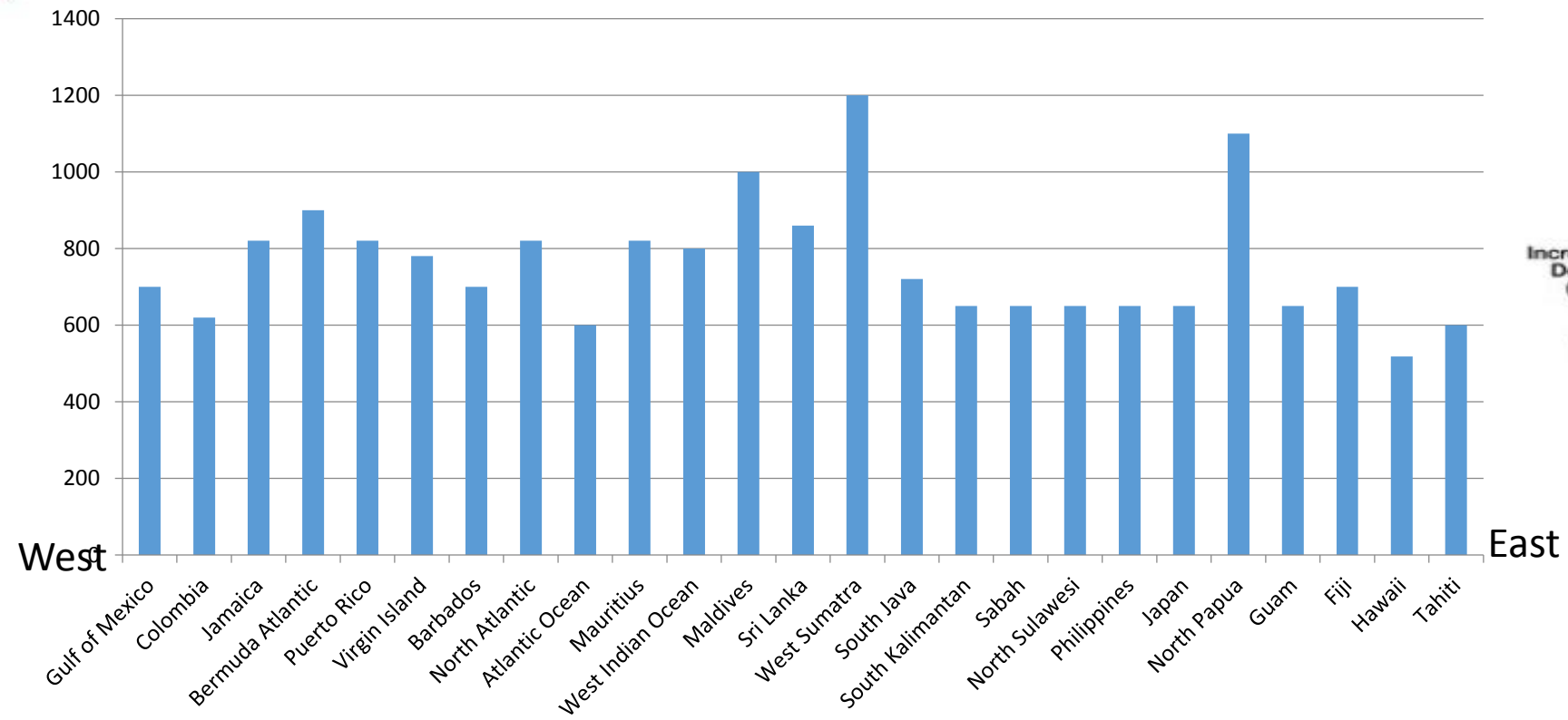


Figure 1. Depth-temperature profile of different locations at 7°C

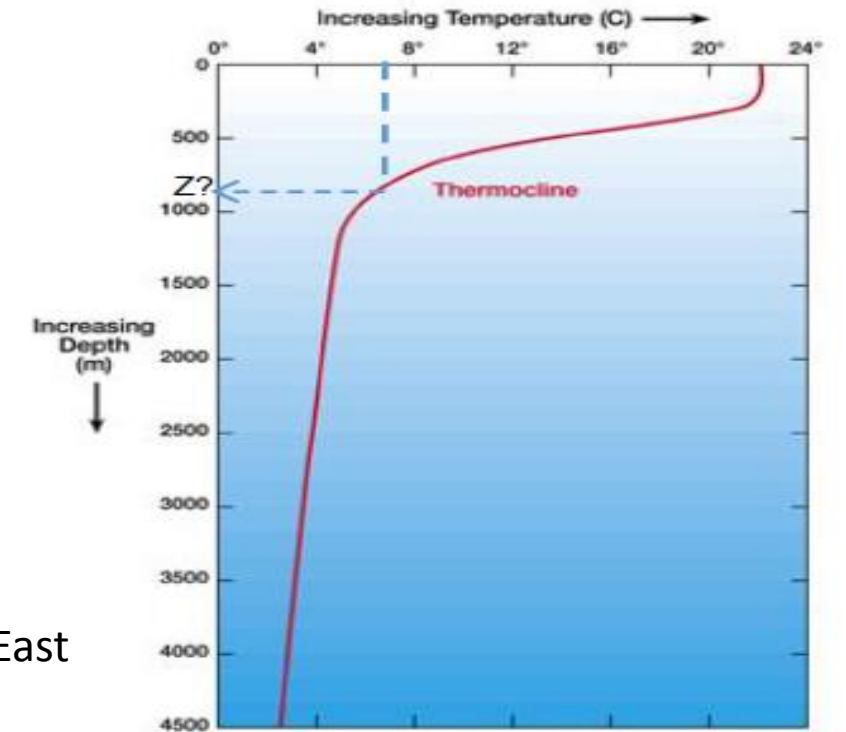
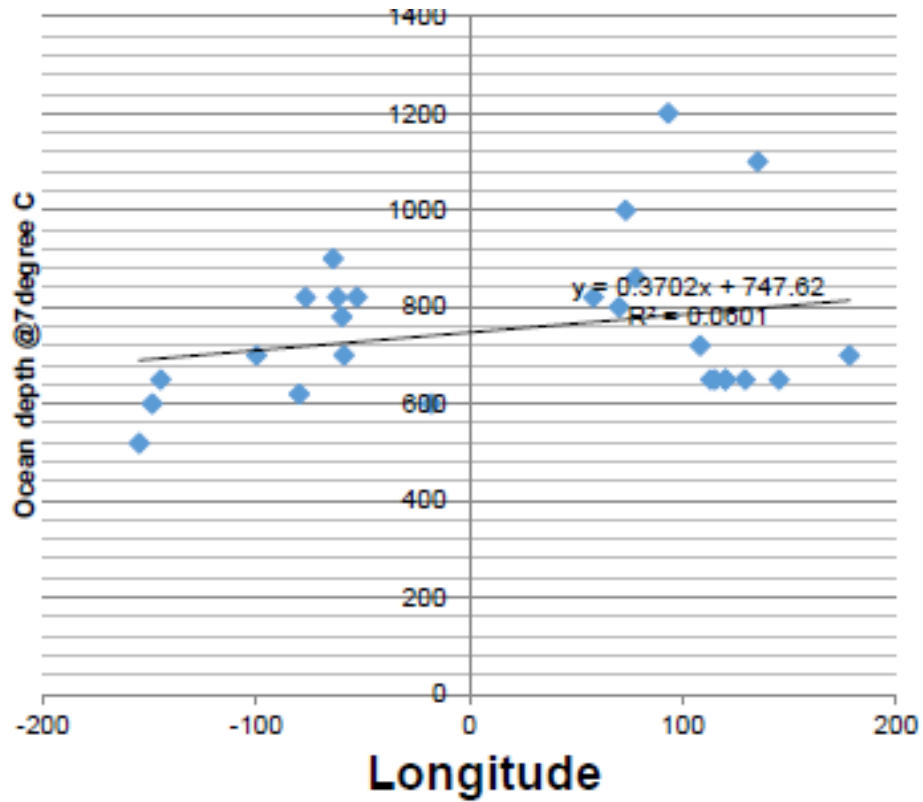


Figure 2. Depth @ 7°C surface temperature

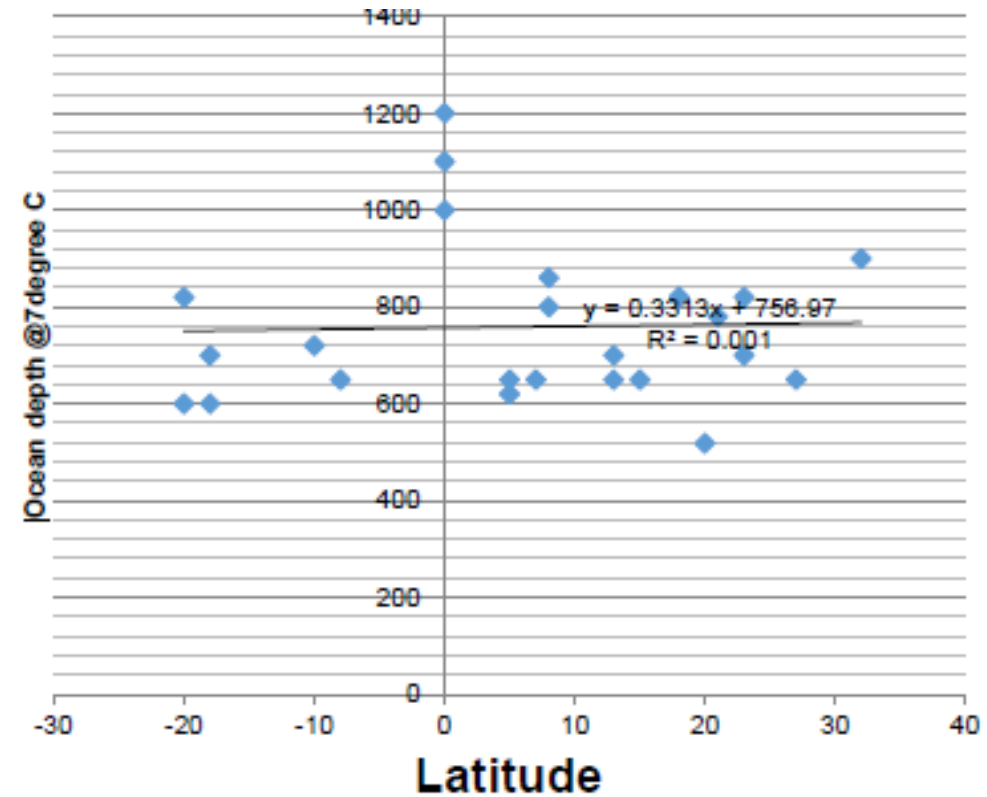
References:

- Avery, 1994, pg421; A Devis-Morales, 1994, pg762; Al Binger, 2007, pg5; BATS Frye, 1981, pg16; Maul, 1999, pg67; O'Connell, pg5; Maul, 1999, pg67; Brandon, 2016, Figure 7; Al Binger, 2007, pg5; Bassett, 2015, pg2; O'Connell, pg6; Ikegami and Mitsumori, 1998, pg141; Octaviani, 2016, pg69; Ikegami, 2009, pg39; Syamsuddin, 2015, pg221; Bakar, 2016, pg10; Syamsuddin, 2015, pg221; ADB Report, 2014, pg49; Shpilrain, 2009, pg211; Ikegami, 2009, pg39; Al Binger, 2007, pg5; Leraand, 1995, pg1100; Sea Semester Lassuy, 1979, pg23

Distribution of Ocean Depths @7°C by Longitude & Latitude



$$Y = 0.370x + 747.6$$



$$Y = 0.331x + 756.9$$

We could predict the depth of the ocean @7°C using the regression analysis equation as above with given coordinates

STATISTICS & DISTRIBUTION of OCEAN DEPTH @ 7°C

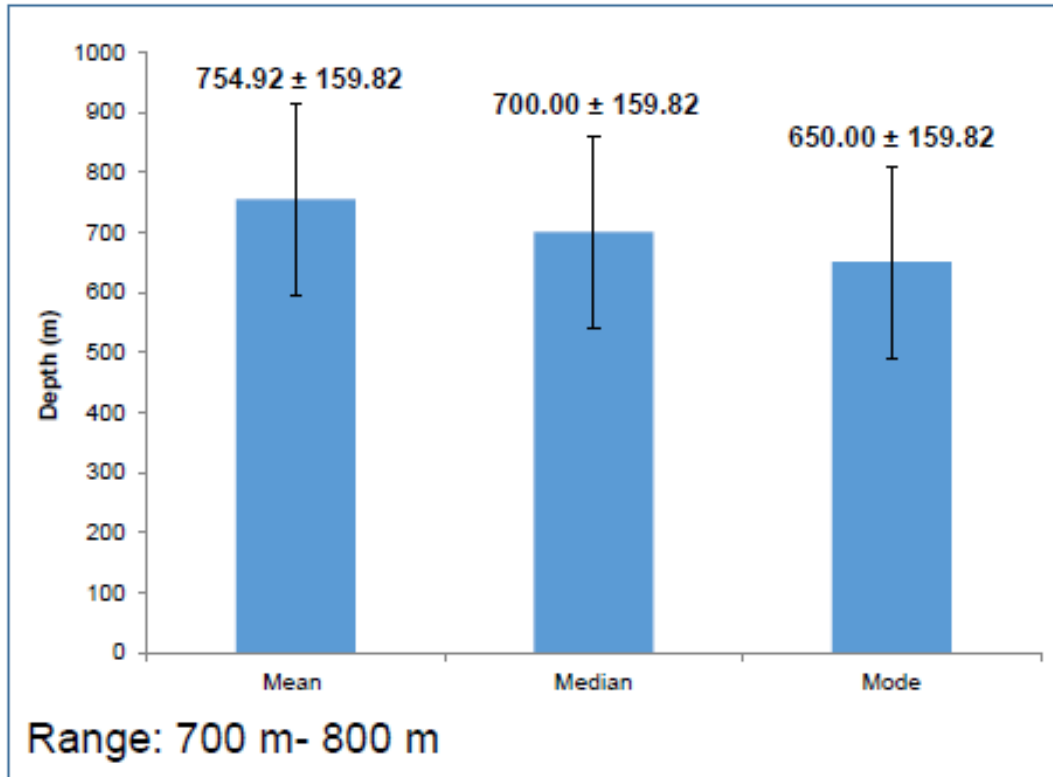


Figure 8. Statistics of the ocean depth at 7°C

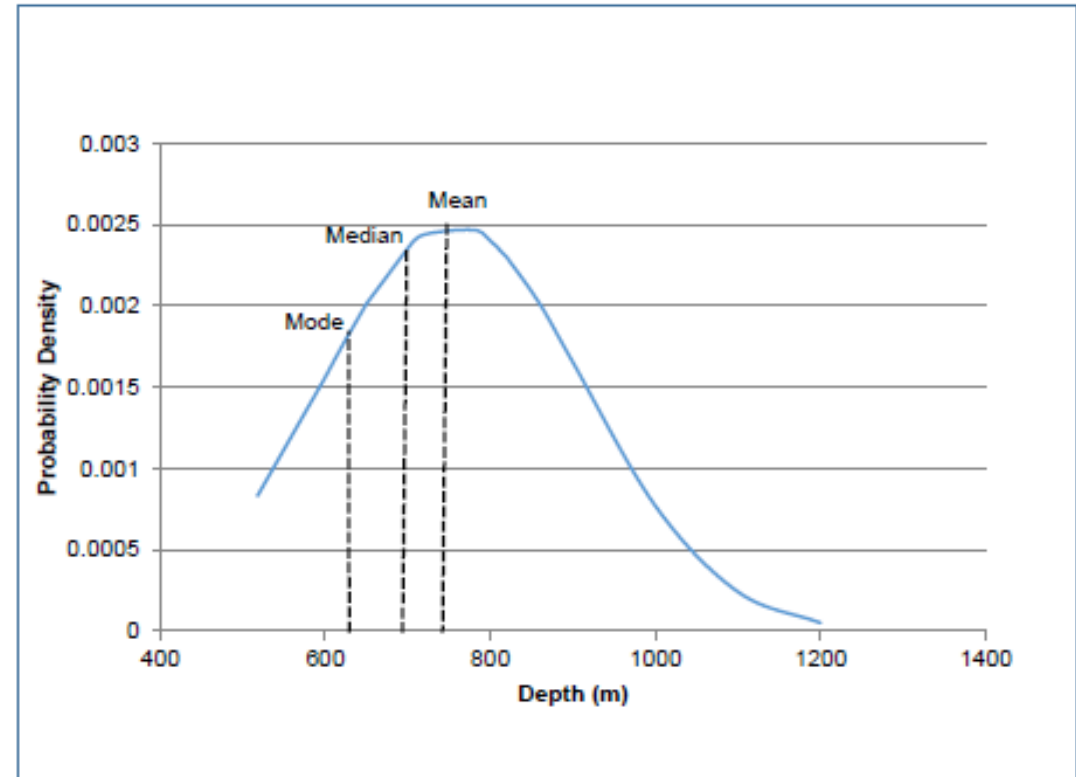
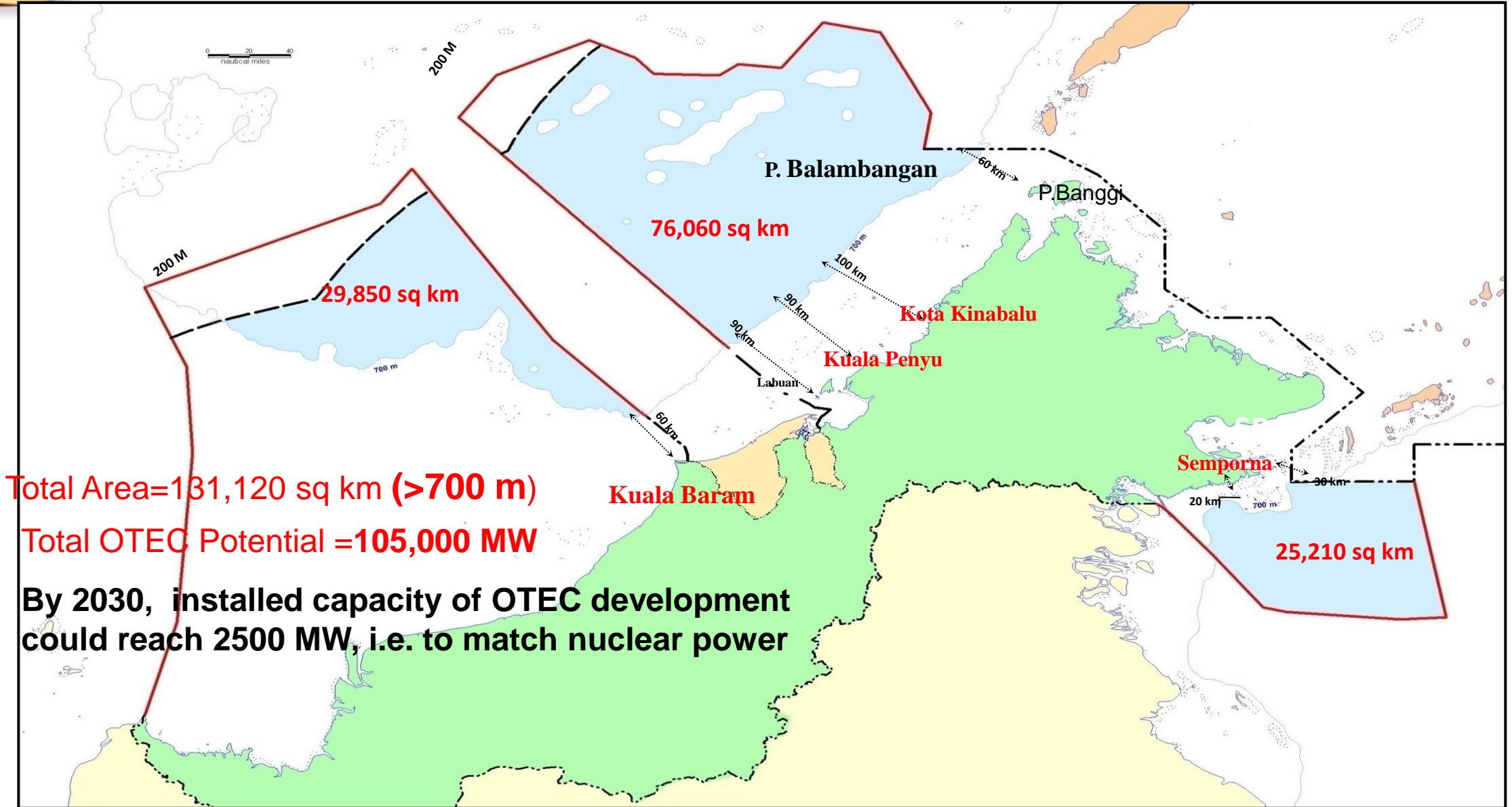


Figure 9. Distribution of Ocean Depths @7°C

OTEC POTENTIAL IN MALAYSIA



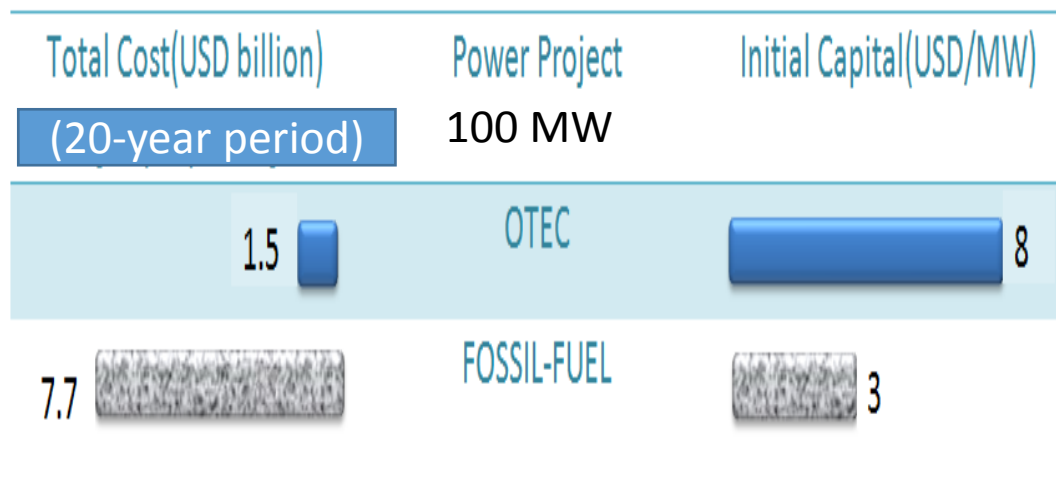
6. THE ECONOMICS OF OTEC vis-à-vis OIL & OTHER FORMS OF OCEAN ENERGY

6.1 Investment in OTEC will save more money than that of oil-fired power plant, by 5 times over

6.2 The price of oil does not matter, not only that “oil & water” do not mix, but also OTEC generates power & very valuable utilities and commodities

OVERCOMING BARRIERS: HIGH INITIAL CAPITAL REQUIREMENT

COMPARATIVE OTEC vs. FOSSIL FUEL LIFE -CYCLE COSTING

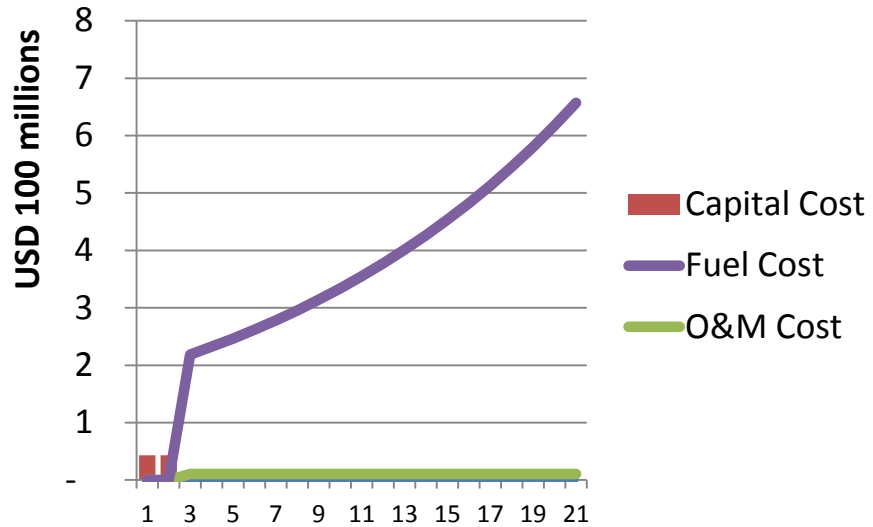


Note: Price of Oil : USD 100/barrel

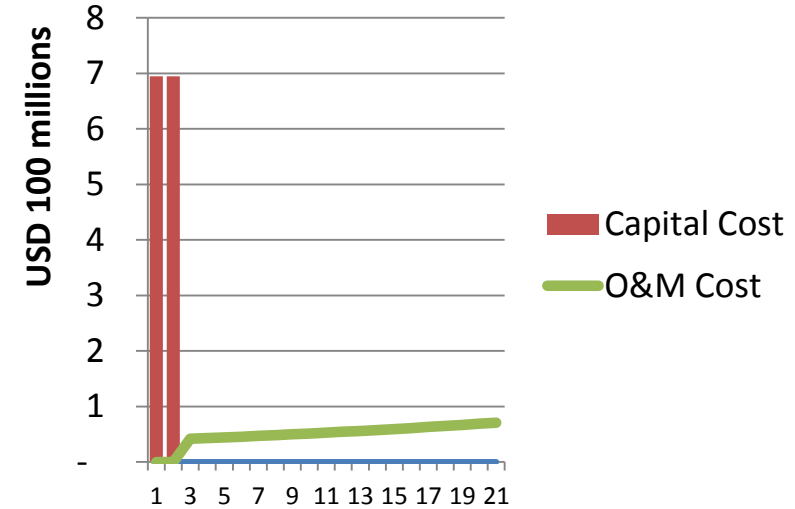
- By introducing project-life costing;
- By realising that “renewable”, “virtually free”;
- By highlighting “cost-saving” over project life;

COMPARATIVE CAPITAL & OPERATING COSTS OVER PROJECT LIFE CYCLE

100MW OIL-FIRED POWER PLANT



100MW OTEC POWER PLANT

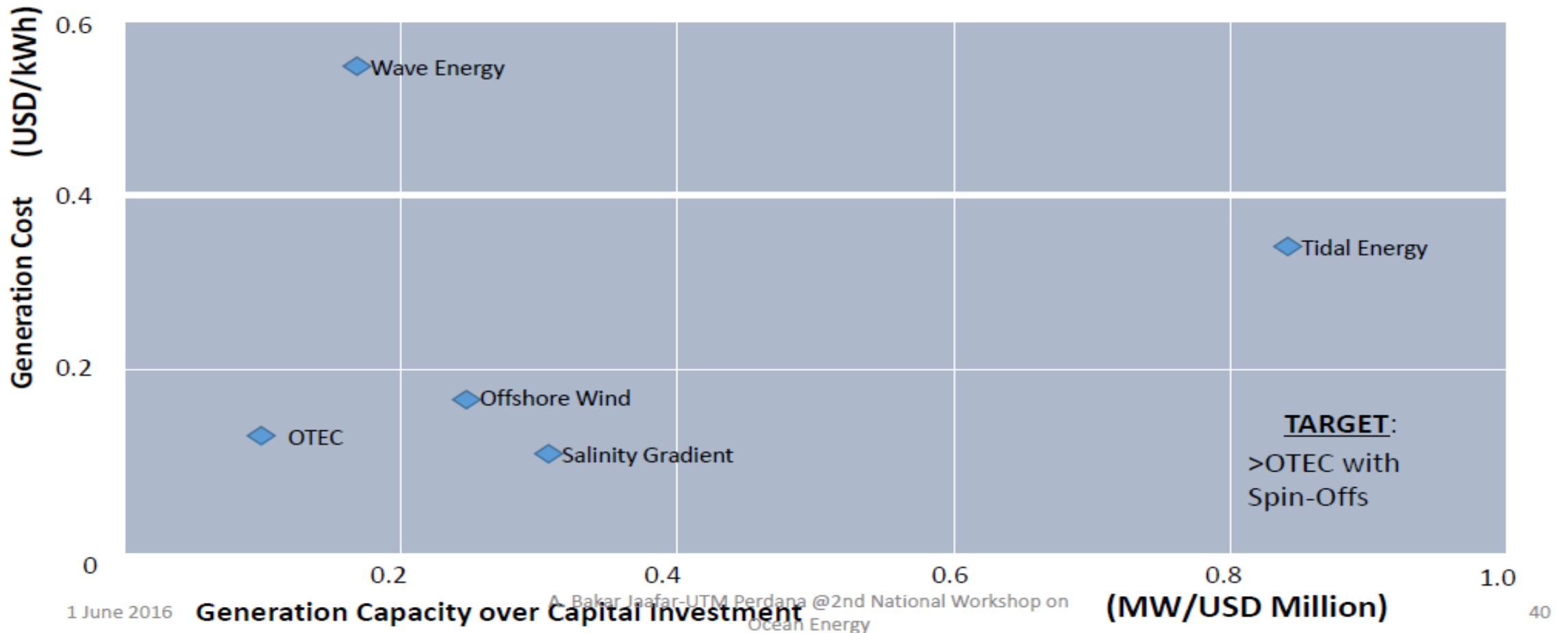


Total costs (USD) over 21 years of operation

OIL-FIRED POWER	OTEC-POWER
USD 7.5 billion	USD 1.5 billion

... AN OVERVIEW OF OCEAN ENERGY BY TYPE

Ocean Energy Production Cost & Generation Capacity over Capital Investment



1 June 2016

Generation Capacity over Capital Investment

A. Bakar Jaafar-UTM Perdana @2nd National Workshop on Ocean Energy

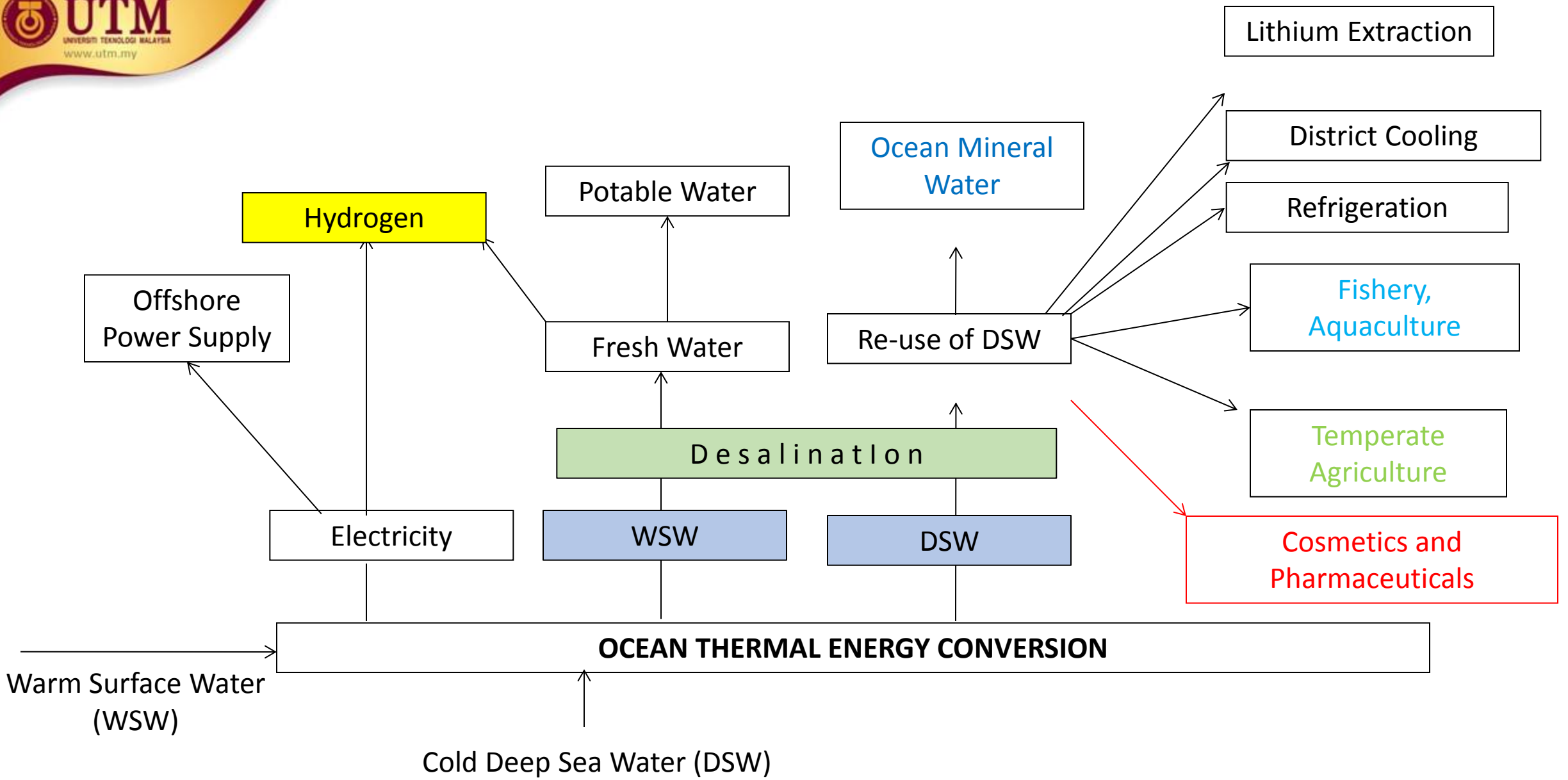
(MW/USD Million)

40

Ocean Energy	Input			Capacity factor	Output Cost of Ocean Energy (USD/KWh)
	Generation Capacity (MW)	Capacity Investment (Million USD)	MW/Million USD		
Wave Energy	10	63	0.16	30%	0.56
Tidal Energy	254	298	0.85	20%	0.28
Offshore wind	10	40	0.25	42%	0.17
OTEC	53	451	0.12	95%	0.13
Salinity gradient	200	600	0.33	80%	0.09

kWh: Kilowatt-hour, MW: Megawatt

[Data Source: IRENA (2014), ADB Report (2015)]



Temperate Produce



"Import Substitutions"

High Value Produce



Capture-Fisheries

Health & Cosmetics



Ms Earth Japan, 2012

Lithium Production

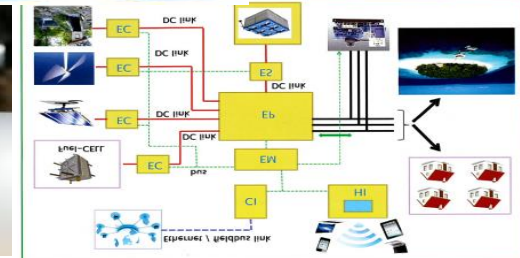


Picture 5: Lithium extraction facility

Mineral H2O

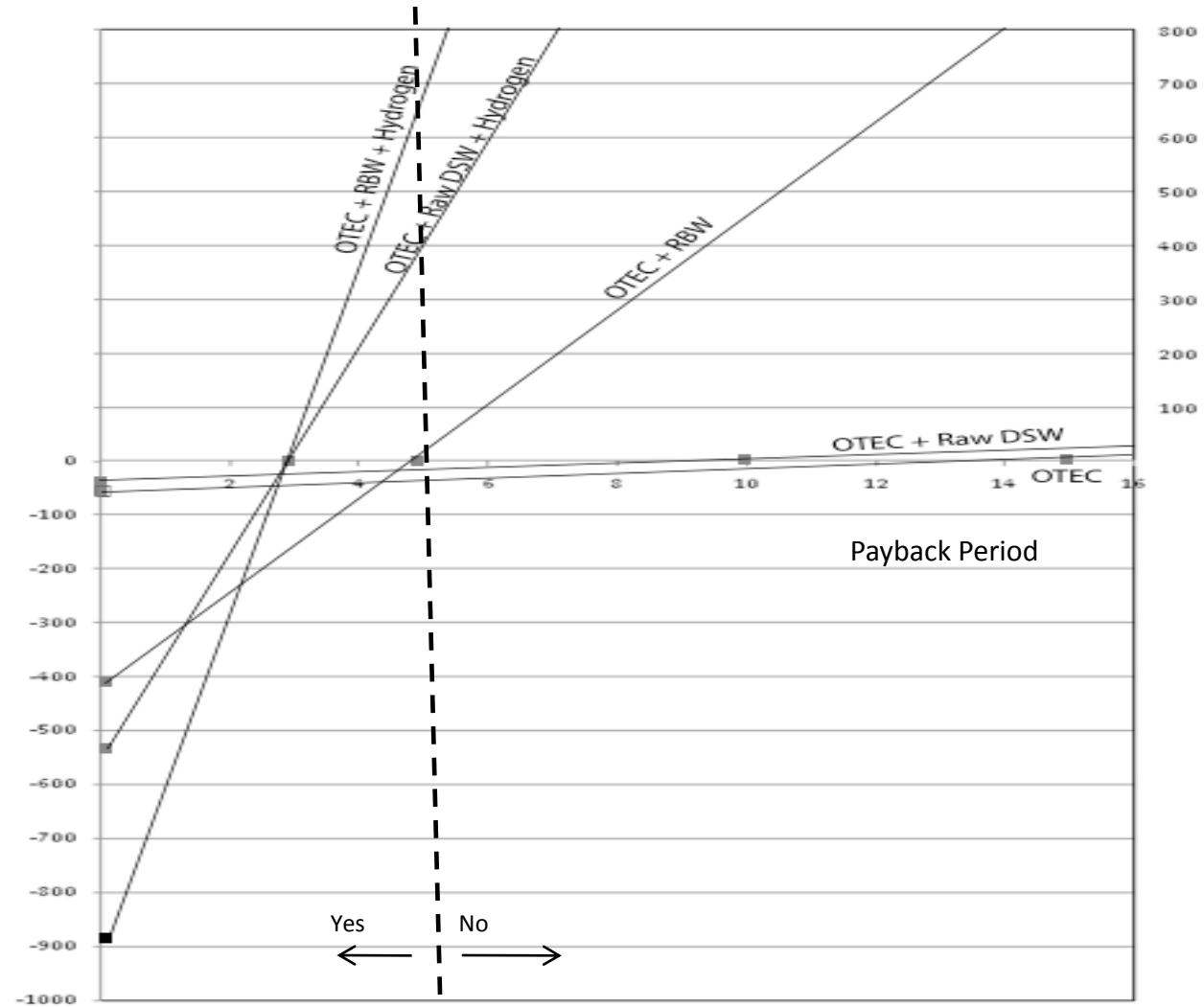


OTEC-H2



Smart-Grid
With All
Renewables

Annual Revenue (USD Million)



Capital Investment
(USD Million)

Bankability

Payback Period of Investment in OTEC Project [with and without Spinoff(s)]

Business venture	OTEC Plant (Net MW)	OTEC Plant Investment (\$USD/KW)	TOTAL Investment USD	Annual Revenue USD	Payback Period (Year)	Remarks
OTEC	1.35	.41,542	56,081,700.00	7,481,160.00	15	Power Only
OTEC + Raw Water	1.35	41,542	56,234,381.00	11,246,876.20	10	Power + Raw Water (RW)
OTEC+ RBW	1.35	41,542	409,302,900.00	163,721,160.00	5	Raw & Bottled Water (RBW)
OTEC + Raw Water + Hydrogen	1.35	41,542	534,316,081.00	356,210,720.67	3	RW + Production of Liquid Hydrogen
OTEC + RBW + Hydrogen	1.35	41,542	887,384,600.00	591,589,733.33	3	RBW+ Production of Liquid Hydrogen

[Data Source :A Detailed Cost Analysis for Starting a Water Bottling Plant; Fauziah SH, 2014; Ryzin et al., 2014

Case I: Payback Period of Investment in OTEC Project ONLY for Power Supply

Capacity of 1 MW = 1000 kW

Power/year = 1000 kW x 8760 (hours/year)

Annual Revenue = 8.76 m kWh x (USD 0.10/kWh) = USD 0.876 million

Payback period = 2 [(Capital/Annual Revenue)] years

= 2[USD (43.8 m/0.876 m)]

= 100 years

Bankability? = 5-10 years

Case II: Payback Period of Investment in OTEC Project for Raw Deep Sea Water (RDSW) Supply

Capacity of 1 MW of OTEC producing 2.5 m³/s:

Volume, $V = 2.5 \times 3600 \times 8760 \text{ m}^3/\text{yr} = 78.84 \text{ million m}^3/\text{year}$

Annual Revenue = $(V/\text{year}) \times (\text{Tariff})$
 $= 78.84 \text{ million (m}^3/\text{yr)} \times \text{USD (0.25/m}^3)$
 $= \text{USD 19.71 million}$

Payback period = $2 [(\text{Capital}/\text{Annual Revenue})]$ years
 $= 2[\text{USD (43.8 m}/19.71 \text{ m)}]$
 $= 4.4 \text{ years}$

Bankability? $< 5 \text{ years} \Rightarrow \text{YES}$

7. BENEFITS TO THE COUNTRY

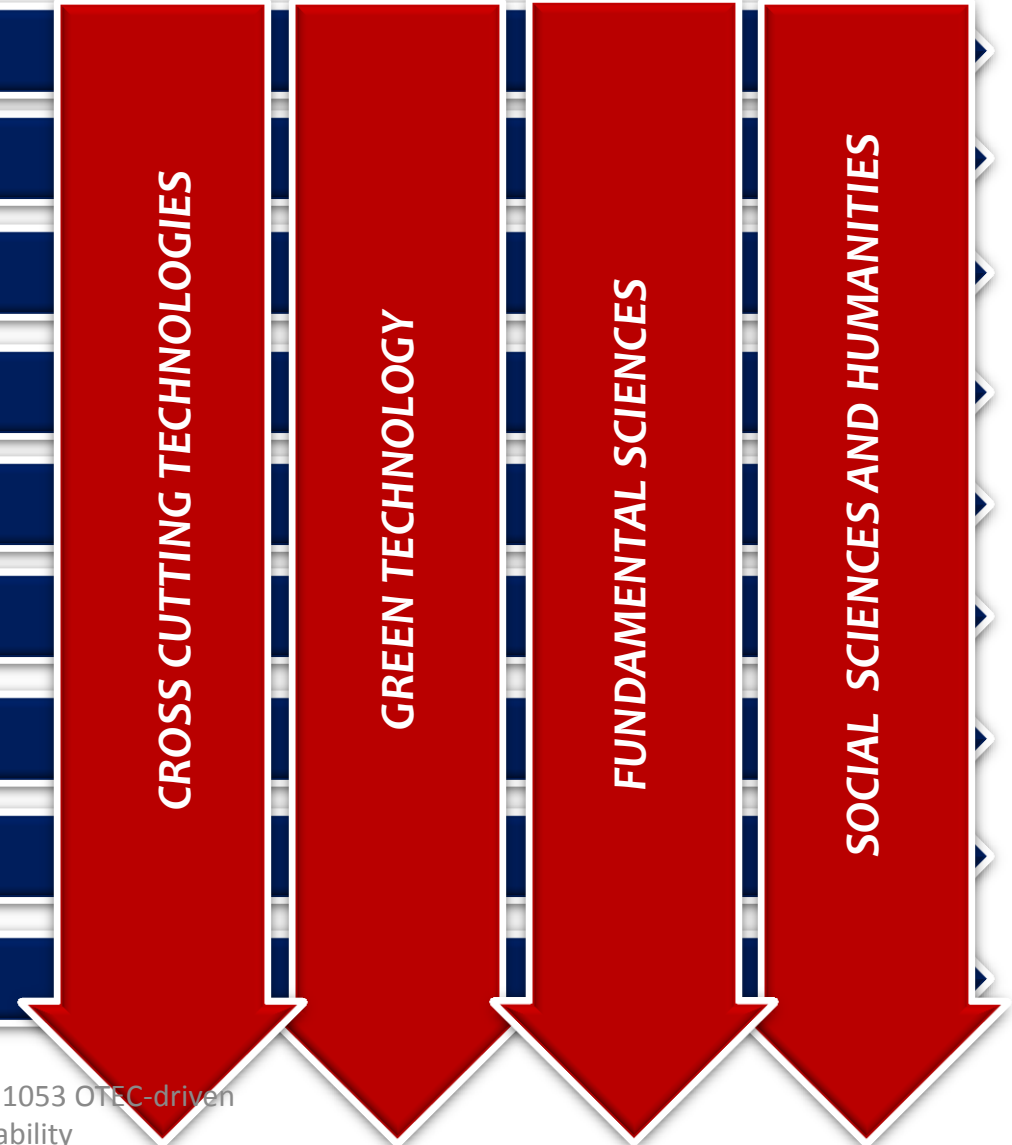
- **SECURITY [ENERGY, WATER, FOOD, CYBER],**
- **BIODIVERSITY, CLIMATE CHANGE, THE ENVIRONMENT *ETC***
- **MEDICAL & HEALTH CARE**
- **TRANSPORTATION & URBANISATION**
- **COMMODITIES**

IMPACTFUL FOCUS AREAS

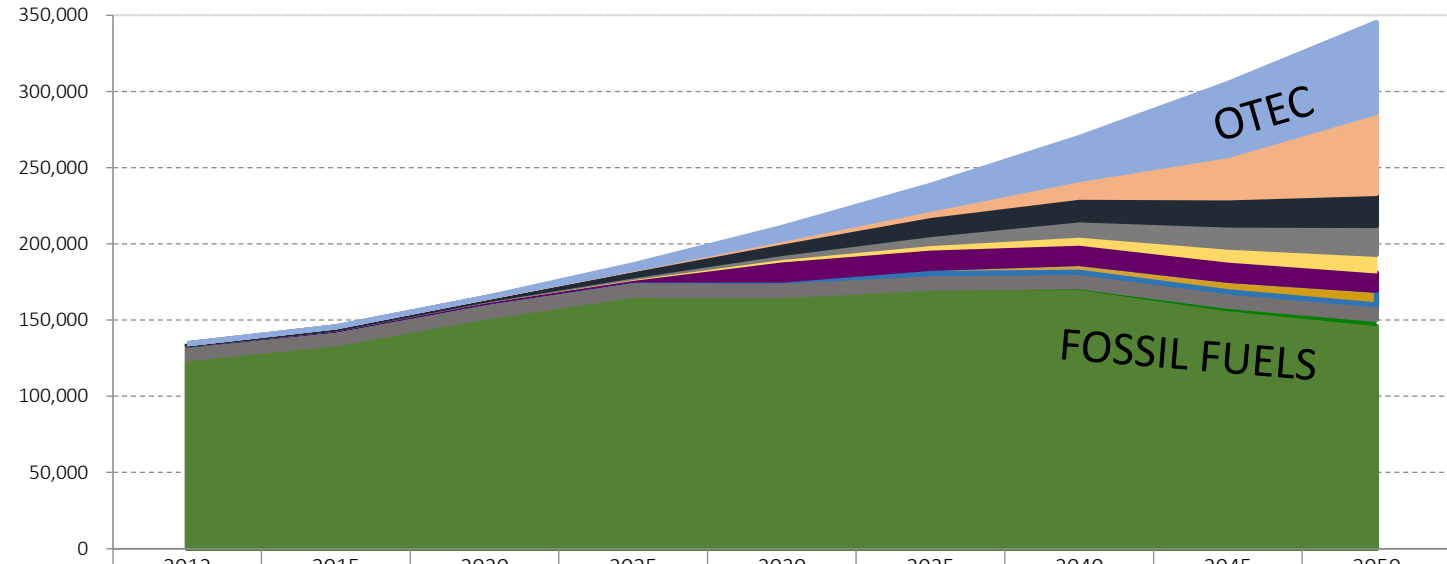
Issues

9. **BIODIVERSITY**
7. **CYBER SECURITY**
1. **ENERGY SECURITY**
8. **ENVIRONMENT & CLIMATE CHANGE**
3. **FOOD SECURITY**
5. **MEDICAL & HEALTHCARE**
4. **PLANTATION CROPS & COMMODITIES**
6. **TRANSPORT & URBANISATION**
2. **WATER SECURITY**

Enablers



8. THE WAY FORWARD FOR MALAYSIA



	2012	2015	2020	2025	2030	2035	2040	2045	2050
OTEC	0	0	134	2,848	7,884	15,768	27,594	47,304	59,129
Fuel Cell	0	0	16	354	1,665	4,054	11,603	27,782	53,194
Bioenergy	809	1,455	1,567	4,088	7,553	12,535	14,832	17,823	21,049
Wind Energy	0	0	547	1,095	2,601	5,913	10,052	14,520	18,922
Solar PV	7	437	790	1,579	2,631	3,999	6,314	9,502	11,913
Nuclear	0	0	0	0	12,264	12,264	12,264	12,264	11,650
Wave/ Tidal/ Current	0	0	219	548	751	3,548	5,868	7,603	9,662
Hydropower	9,056	9,084	9,531	9,531	9,531	9,531	9,531	9,531	9,531
Geothermal	0	0	216	382	531	1,264	2,122	3,174	4,318
Fossil Fuel	124,596	134,571	151,656	165,891	165,388	169,623	169,661	155,798	146,047
Total	134,468	145,547	164,675	186,316	210,800	238,500	269,841	305,300	345,417

Source:
ASM TF CFE

Prepared [and Presented by]

Prof Dato' Ir Dr A Bakar Jaafar, *PEng, FIEM, FASc,*
KMN, JSM, DPMP
BE (Hons) (Newcastle), MEn (Miami), PhD (Hawaii)

Professor,
UTM Perdana School &
[1 June 2013-31 May 2017]
(www.utm.my)

Director, UTM Ocean Thermal Energy Centre
[www.otec.utm.my]

Mobile: +60 123207201
E-mail: bakar.jaafar@gmail.com



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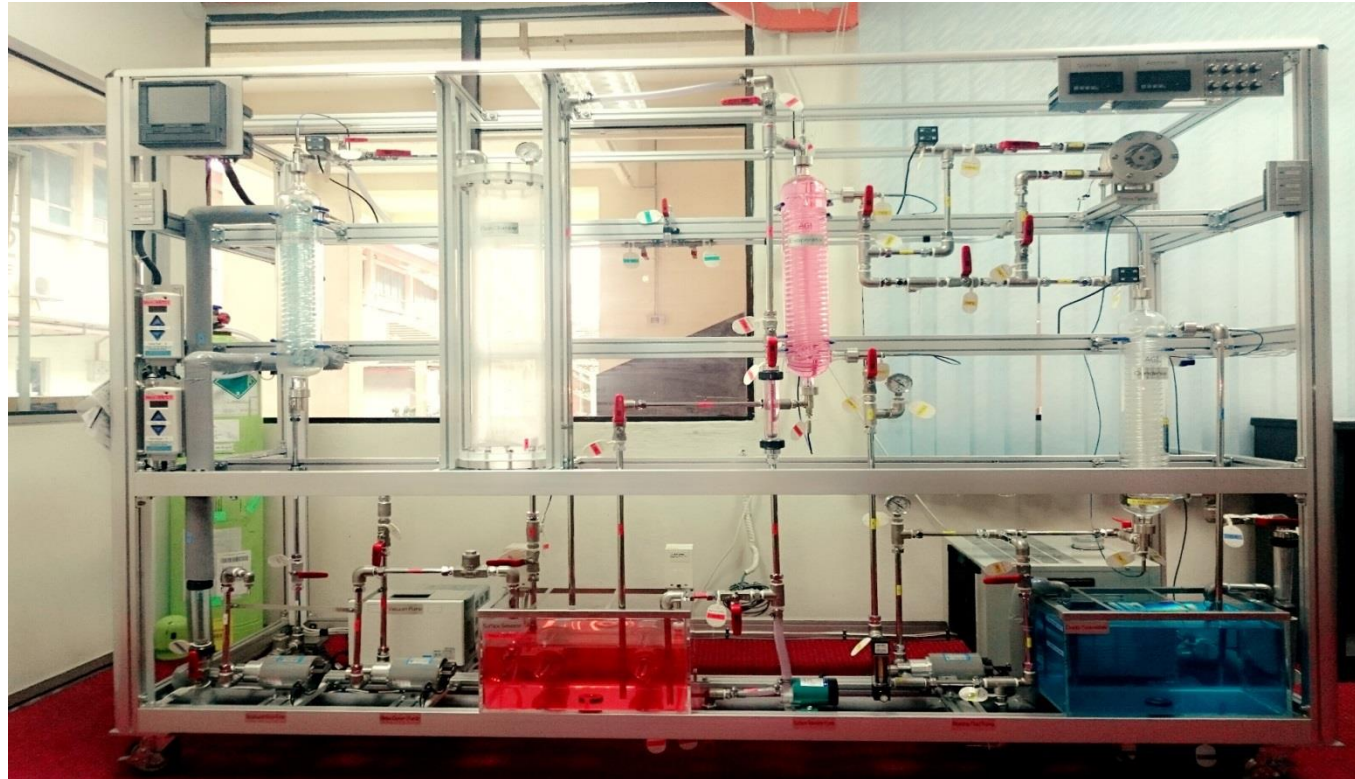
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3W Micro-OTEC @UTM OTEC Block Q Commissioned on 22 May 2015



UTM Ocean Thermal Energy Centre [U-OTEC],
Block Q Ground Floor, UTM Jalan Sultan Yahya Petra , 54100 Kuala Lumpur, Malaysia
E-mail: bakar.jaafar@gmail.com Mobile: +60 12 320 7201