GHG emissions offset of a combined-cycle natural gas-fired thermopower plant in Northeastern Brazil

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Abstract
Anthropogenic greenhouse gas (GHG) emissions have caused unprecedented climate change. Both mitigation and adaptation actions have thus become crucial. The combustion of fossil fuels is the leading cause of GHG emissions. Within this context, this work explores several options to offset GHG emissions from a combined-cycle natural gas-fired thermopower plant by 2050. Termopernambuco, in Northeastern Brazil, provides a case study that can be used as a reference for other projects. Therefore, after making an inventory and designing a scenario up to 2050 of its GHG emissions, mitigation actions and offset options are assessed, including a photovoltaic system, fuel mix options, a CO₂ capture and storage (CCS) facility, and livestock-forest integration systems. Such measures are individually evaluated and bundled in five scenarios. Overall results indicate a wide range of offset costs, with livestock-forest integration systems at the lowest end with 37 USD/tCO₂ up to a level of 180 USD/tCO₂ for CCS.

Keywords: climate change; greenhouse gases; mitigation; offset; thermopower plant; natural gas.

Neutralidad de emisiones de GEI de una central térmica de ciclo combinado a gas natural al noreste de Brasil

Resumen
Las emisiones antropogénicas de gases de efecto invernadero (GEI) han provocado un cambio climático sin precedentes, haciendo cruciales las acciones de mitigación y adaptación. El uso de combustibles fósiles es su principal causa, así que este trabajo explora varias opciones hacia la neutralidad climática de una central térmica de ciclo combinado a gas natural en 2050. Termopernambuco, al noreste de Brasil, proporciona un estudio de caso que se puede utilizar como referencia para otros proyectos. Primero, se realizan el inventario y estimativas de emisiones de GEI hasta el año 2050. Luego, se evalúan las opciones de mitigación y compensación, incluyendo: un sistema fotovoltaico; mezclas de combustibles; captura y almacenamiento de CO₂ (CAC); y la integración de sistemas silvopastoriles. Las medidas son analizadas individualmente y agrupadas en cinco escenarios. Los resultados generales indican un amplio rango de costos de abatimiento, desde 37 USD/tCO₂ para sistemas silvopastoriles hasta 180 USD/tCO₂ para CAC.

Palabras clave: cambio climático; gases de efecto invernadero; mitigación; compensación; centrales térmicas; gas natural.

1. Introduction

Humanity has negatively influenced the global climate balance, hence provoking great debates about its impact level and the need for actions to manage it better. Organizations of global relevance, such as the Intergovernmental Panel on Climate Change (IPCC), highlight that since the beginning of the pre-industrial era, human behavior has become increasingly harmful to the planet, enhancing the danger over earth temperature [1,2].

As exposed by [1], the levels of anthropogenic greenhouse gas (GHG) emissions in the last three decades are equivalent to the same level of global warming that has occurred in the previous 1,400 years. Moreover, climate
change has risen the frequency and intensity of extreme events such as droughts, floods, cyclones, hail, and others [3]. This makes it increasingly difficult to predict its destructive magnitudes and potentials, in addition to the respective impacts on society, such as food production and water supply.

According to [1], future low-carbon scenarios require significant interventions in the energy sector, which intensively uses fossil fuels. In this context, there is a current trend of growth in the participation of renewable sources in the global and Brazilian energy matrix. According to the Brazilian decennial planning for energy expansion [4], it is expected that wind and solar sources will jump from a level of 9% and 2% of domestic supply in 2019 to 16% and 8% in 2029, respectively.

With the increased participation of these intermittent sources and the inability to manage the new hydroelectric plants' water flow for expansion, system flexibility represents a challenge for energy supply assurance [4]. Given such circumstances, natural gas thermopower plants are strategically positioned due to their rapid response to activation. This high level of ramp-up makes them critical parts for maintaining the stability of the National Interconnected System and for greater reliability of the Brazilian electrical system [5].

Therefore, natural gas is seen as the energy transition fuel, not only for its lower molecule value than other liquid fuels but also for emitting fewer air pollutants. Although these plants have a lower level of GHG emissions among fossil-fired thermopower plants, their impacts are still significant. Thus, this study aims to analyze possible forms of mitigation and offset for natural gas thermopower plants by developing a case study of Termopernambuco (Termope), a combined-cycle natural gas-fired thermopower plant in operation in Brazilian Northeastern, to propose solutions to neutralize its GHG emissions by 2050.

This paper comprises four sections, including this introduction. Section 2 presents the Materials and Methods applied to evaluate GHG mitigation and offset alternatives. Section 3 presents the Results and Discussions, including the scenarios analyzed. Finally, Section 4 refers to the Conclusion of this study.

2. Materials and methods

Northeastern Brazil is the country's region with the highest growth in power generation by intermittent sources. Thereby, its thermopower plants are essential to ensure continuous demand-supply. Furthermore, among those fueled with natural gas, combined-cycle plants are the ones with the lowest GHG emissions level, although complete start-up takes longer than simple cycle facilities. The mentioned benefit is related to their improved efficiency.

For such reasons, this study was dedicated to assessing the case of Termope since it matches the highlighted environmental and locational aspects of interest. The plant is located at Porto Suape, an industrial port complex in the state of Pernambuco (PE), as seen in Fig. 1. It has 533 MW of installed capacity and its system works through the combined operation of two gas turbines and one steam turbine [6].

To define options for GHG mitigation or offset, it was first necessary to calculate Termope's emissions according to the adopted methodology. From this step on, potential mitigation and offset measures were assessed for addressing the GHG emissions from gas natural combustion process. After defining the solutions portfolio, the most tangible options were selected for future scenarios formulation, which comprised technology penetration possibilities within a specific time horizon. Such approach represents an important support tool for decision making to achieve the intended climatic management.

This study defined a time horizon based on Termope's expected lifespan, considering that its operation started in 2004 [6]. According to [5], thermopower plants are functional during 20-30 years, which can be extended for 25-30 years more. In this sense, 2050 was assumed as an approximate reference for limiting the scenarios.

2.1. Greenhouse gas emissions

Termope's GHG inventory was based on the year 2019 and developed by IPCC Tier 3 methodology [7]. To achieve this, specific data regarding the power plant and its location were used.

The natural gas composition considered in this paper was obtained from [8], which is the company responsible for gas supply in the region. For calculation purposes, this study applied the technical specifications of General Electric (GE) 7F.04 gas turbines made publicly available by the manufacturer [9]. This classification includes equipment also known by former names, including 7FA.03 turbines, which are mentioned in a report for investors of Neoenergia as the ones used at Termope [10].

2.2. Greenhouse gas mitigation options

According to [1], mitigation refers to actions directed to both GHG sources reduction and sinks reinforcement, which are mechanisms that contribute to atmospheric GHG decrease. In this context, this study considered both strategies. Therefore, varied options were analyzed to reduce GHG emissions from fossil fuel combustion to reduce environmental impacts.
In the case of power plants that meet their self-consumption with their power generation, such as Termope, solar energy may be a mitigation option for supplying part of this demand. It was also considered the possibility of replacing Termope's fuel with biogas or hydrogen mix, in which the first would be a more solid option while the latter could represent a future potential. Also, Carbon Capture and Storage (CCS) was assessed since it is vital to achieving long-term offset targets.

Therefore, this paper proposes a diverse portfolio of mitigation options, which is further detailed in this section.

2.2.1 Photovoltaics

Aiming to reduce emissions related to self-consumption, which currently relies on its own thermopower, this study assessed the implementation of an onsite photovoltaic system for complementing the internal supply-demand. In this context, the authors considered all visually available areas, including rooftops and ground portions. The polygons identification and measurement applied to the Google Earth Pro mapping tool, version 7.3.2.5776.

For system sizing, this paper used version 2018.11.11 of the System Advisor Model (SAM), developed by the National Renewable Energy Laboratory (NREL) under the United States Department of Energy. SAM is a simulation software that allows technical-economic modelling of renewable energy power systems, including photovoltaics. The estimations applied the "Photovoltaic (detailed)" calculation mode through the "LCOE Calculator" option, which provides performance and Levelized Cost of Energy (LCOE) results for specific equipment [11].

Among the equipment available on SAM's database, this study considered the following selection criteria: array configuration technical requirements for maximizing area exploitation, such as nominal power and voltage; well-known manufacturers. Thus, the selected references were: Canadian Solar Inc. CS6U-330P module, with 17.57% of efficiency and 330 Wdc of nominal power; SMA America SC250U (480V) inverter, with 250 kWac of nominal power and 96.8% of electric current conversion efficiency [11].

SAM's database was also used for solar resource estimation by selecting the specific plant location. Thereby, the irradiance data applied refers to a point centered on its largest building. The calculation considered default values of alternate and direct current losses, and disregarded shading parameters. Other information concerning system configuration relied on adaptations from [12], such as: module azimuth, ground coverage ratio (related to tilt and distancing) and direct to alternate current ratio.

Regarding economic-financial parameters, inflation and the exchange rate between Brazilian Reais (BRL - RS) and American Dollars (USD - US$) corresponded to those on Focus Report, the market report issued by [13]. Additionally, this study considered the fixed Weighted Average Cost of Capital (WACC) of Brazilian power generation [14] as a proxy for the discount rate. As for capital and operational costs of photovoltaic technology, the estimations applied adapted data from [15], responsible for subsidizing Brazil's energy planning through official studies.

Then, for comparing the estimated photovoltaic output with the equivalent portion of thermopower consumption to be replaced, 2019's self-consumption was estimated based on Termope's most recent public data. In this sense, it was assumed the exact relation between self-consumption and power generation informed by [16]. Finally, for estimating the Marginal Abatement Cost (MAC), the plant's capital costs were considered already covered, so the photovoltaic LCOE was directly compared with the plant's Variable Unit Cost (VUC) by calculating their gap per mitigated emissions.

2.2.2 Fuel mix

To effectively reduce GHG emissions from burning natural gas, alternative combustion sources were studied by the combination of cleaner and chemically compatible fuels.

The first alternative assessed was biogas originated in landfills. Every year, solid urban waste generation continues to increase in Brazil and worldwide, and its inadequate disposal has negative impacts on the environment and public health. Therefore, the use of biogas resulting from the decomposition of these residues appears as a relevant alternative. Beyond adding value to those, it can incorporate revenue by obtaining carbon credits and electricity generation.

Biogas is a gas with low calorific value when compared to other combustible gases. In the case of Termope, it could be used in the secondary boiler or, in small proportions, combined with natural gas to feed the turbine. As it is a poor gas and presents different impurities, it is necessary to assess the composition of landfill biogas and adapt the equipment to not compromise their structure or impair the plant's efficiency. It is key, however, to achieve a balanced trade-off between emissions reduction and efficiency required. To proceed with biogas use, landfills within the Termope's region have been mapped, among which the closest ones are located at distances between 40-50 km.

The second alternative of fuel mix analyzed corresponds to the use of synthesis gas through biomass gasification, a technology known as a Biomass Integrated Gasification Combined-Cycle (BIGCC). Although it has not yet reached a high technological maturity, it is a promising technology because of its strong potential of environmental performance, reducing emissions of CO$_2$, SO$_x$, NO$_x$ and particulate materials [17]. In addition to the advantage of being a carbon-neutral fuel, its use in BIGCC systems with CCS offers the possibility of generating energy with a negative CO$_2$ balance [18]. Thus, for using this alternative, regional supply availability was analyzed.

The third alternative refers to hydrogen gas (H$_2$), since it is a potential fuel for a decarbonized future when generated from renewable sources. However, it is necessary to overcome significant technical and economic barriers [19]. For using hydrogen gas in a potential combination with natural gas to supply the plant's demand, some considerations were made for the analysis. To avoid significant changes in the structure of a natural gas-fired thermopower plant, the amount of injectable hydrogen gas in the mixed fuel is limited according to the equipment specifications, varying in volumetric percentage up to 12% [20]. This study considered a 10% volumetric hydrogen ratio in relation to natural gas.
For dimensioning this alternative, energy and water requirements of the electrolysis process to produce 10% in volumetric percentage of H₂ were calculated according to the average monthly consumption of natural gas at the plant. PEM electrolyser was established as the technology for producing H₂, as it is the most suitable when powered by an intermittent source, such as wind or solar. For this purpose, the electric energy required by the electrolysis was estimated by the equipment’s efficiency [21], according to eq. (1).

\[
E_{lt} = \frac{(PCI \times ProdH_2)}{\eta}
\]  

(1)

Where, \(E_{lt}\): energy required by the electrolyser (kWh); \(PCI\): hydrogen lower heating value (kWh/kg); \(ProdH_2\): H₂ production (kg); \(\eta\): electrolysis efficiency.

It was adopted 3 kWh/Hm³ for hydrogen lower heating value and 60% for the efficiency of electrolysis process by PEM, according to [22]. As for water consumption, according to [23], it was estimated that approximately 9 liters of water would be needed to produce 1 kg of hydrogen by the electrolysis process.

The electrolysis plant values presented in [23] was used to estimate investment cost. In this sense, the prices related to the renewable plant energy - necessary to feed the system - were not considered, and neither the prices related to the H₂ gas transport and storage.

Finally, the MAC of this measure was estimated, assuming a lifespan of 20 years for the electrolysis plant and an approximate discount rate by the fixed WACC of Brazilian electric power generation [14].

2.2.3 Carbon capture and storage

Carbon capture and storage represents an important mitigation option to deal with climate change. It is one of the few technical solutions capable of capturing up to 90% of CO₂ emissions produced by the use of fossil fuels in electricity generation and industrial processes. Although CCS technology has a great potential to drop greenhouse gases emissions in the long term, it still faces economic and technological barriers [24,25].

A post-combustion system is the most recommended method for CO₂ capture in a thermopower plant already in operation, such as Termoceph, since it can be add-on to the power plant. Therefore, this route is easier to be implemented in existing plants and provides a better potential for short-term applications. CO₂ is captured in the exhaust from the combustion process, subsequently, the gas is absorbed by an adequate solvent. Thus, the CO₂ is compressed and transported by pipelines to appropriate geological formations for storage [26].

The Oil & Gas sector is one of the pioneers of developing and implementing CCS projects, using the captured CO₂ for enhanced oil recovery (EOR) [27]. CO₂ injection assists in increasing the formation pressure, directing the oil to producing wells. Depending on reservoir parameters, CO₂ blends with the oil into a single-phase at miscible conditions, improving oil mobility and allowing easier flow through the formation [28,29].

The Northeastern Brazilian oil basins only correspond to 7% of oil production in the country and are mainly composed of mature fields and shallow reservoirs, being attractive to EOR implementation and representing an option for lower injection cost due to its lower formations’ depth [30,31].

The first stage of the technical feasibility analysis consisted of selecting onshore and mature oil fields that benefit from receiving CO₂ injection from Potiguar, Recôncavo and Sergipe-Alagoas (Northeastern Brazilian) basins, or at least those that were not rejected on the data analysis. Thus, the Executive Summary of Development Plan was used to verify some reservoir characteristics, such as porosity and permeability, original oil in place (OOIP), and oil API degree [32].

This study only considered the miscible CO₂ injection since it provides a greater oil recovery [33]. Typical values of favorable characteristics for the CO₂-EOR application are shown in [34]. These parameters are required but not sufficient for a reservoir to be appropriate to use CO₂ injection. However, some data are not available for public consultation in most of the fields analyzed in this study, thus parameters such as temperature, pressure and reservoir depth, and oil viscosity were not considered. Concerning the depth parameter, shallower reservoirs can be selected as long as they do not contain drinking water in their proximity. The reservoir formation must have a good seal to prevent CO₂ contamination in adjacent formations [34]. Oil fields that do not have OOIP information were discarded.

Using the collected data of oil fields suitable for receiving CO₂ injection, the storage capacity of each field was calculated. Subsequently, the total quantity of CO₂ that Northeastern oil fields can store was estimated. This analysis was based on the methodology adopted by [35], which considers that CO₂-EOR can provide an increase of 10% of the original oil in place in current oil production [33].

Additionally, the storage capacity is related to the ratio between the mass of CO₂ stored per unit mass of oil produced. According to [33], the storage efficiency of the Recôncavo basin corresponds to 0.18 tCO₂/bbl. Since this study was based on the same region of this basin, the same value of storage efficiency was adopted. Using "API data from each of the selected oil fields, the median density was calculated and presented 848.1 kg/m³. These values correspond to a storage of 1.33 tCO₂ per tonne of oil produced. Thus, eq. (2) was used to estimate the oil fields’ storage capacity given by the sum of the individual capacity of each field [35]. The results are presented in Section 3.2.3.

\[
\sum_{i=1}^{n} Q_{CO2i} = p \times OOIP_i \times \frac{mCO2}{mOil}
\]  

(2)

Where, \(Q_{CO2i}\): CO₂ storage capacity of the field \(i\) in million metric tonnes; \(p\): percentage of the OOIP that can be additionally produce using CO₂-EOR in %; \(OOIP_i\): original oil in place of the field \(i\) in million metric tonnes; \(mCO2/mOil\): ratio of mass of CO₂ stored per unit mass of oil produced.

Afterward, hotspots were defined for each of the three basins mentioned above, which means that the field with the most significant storage capacity in each basin was
considered the delivery point of CO₂. Using a georeferencing tool, the distance between the hotspots and the thermopower plant was calculated to estimate the pipeline length.

Finally, a cost analysis of the CCS technology implementation in the thermopower plant was made using the IECM tool, version 11.2 [36]. This model estimates the costs of implementing the CO₂ capture plant, and the pipeline construction costs. The EOR costs were not considered in this study, as it would not be attributed to the thermopower plant but to the operator responsible for the oil fields.

2.3. Greenhouse gas offset options

The state of Pernambuco is one of the Brazilian states with high levels of soil degradation. According to data from [37], this state has about 63 million hectares of degraded area, representing approximately 7% of its entire territory.

Thereby, it is opportune to intensify local livestock, which has local productivity levels of about 0.9 livestock animal unit per hectare [37], to open new areas to produce planted forests for GHG offset through plant vegetative growth. The Integration Crop-Livestock-Forest (ICLF) agricultural production system was chosen to recover pasture, improve livestock and forestry management, and increase agricultural productivity.

The ICLF system stands out in Brazil as an alternative of integration between different types of production systems with high productivity, cultivation, succession, or rotation to provide a mutual benefit between crops and creations, besides presenting great concern with the recovery of degraded areas. The ICLF aims to develop more sustainable agriculture pursuing a symbiosis between livestock and crops to improve the physical-chemical structure of degraded soils, enhance local biodiversity, and assist in carbon capture by planting planted or native forests [38]. Altogether there are four distinct types of ICLF systems, which are: Integration Crop-Forest (ICF); Integration Livestock-Forest (ILF); Integration Crop-Livestock (ICL); and Integration Crop-Livestock-Forest (ICLF) [39].

Due to the great potential and suitability of the region for bovine production, this study selected the ILF type system due to the low level of mechanization of Pernambuco's crop and the low number of workers with a high level of specialization for mechanized work in the field that a complete ICLF type system would require.

Surveys were done on the main agricultural products that can be developed to implement ILF in the region. Regional suitability for implementing beef cattle was observed due to the lower water necessity than dairy cattle and the cultivation of forests planted with eucalyptus.

Therefore, it was necessary to survey the costs, inputs, productivity, and carbon capture rates of the ILF system of the Brazilian Northeastern region. Cost data linked to this type of production system developed by [40] were used, making adjustments so that the initial investment of these processes would be higher than in the monoculture system as exposed by [41,42]. To collect data from the agricultural supplies needed for this production system [40-43] were used as reference. In turn, to obtain the average yields for the studied region, data from [38,40-46] were used. Finally, to determine the carbon capture rates of the ILF system, data from [43-44,47] were applied.

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Potential for GHG Offset in 2050 (% p.y.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>CCS (C)</td>
<td>100</td>
</tr>
<tr>
<td>ILF (A)</td>
<td>100</td>
</tr>
<tr>
<td>75A+25(C+P+H)</td>
<td>100</td>
</tr>
<tr>
<td>50A+50(C+P+H)</td>
<td>100</td>
</tr>
<tr>
<td>25A+75(C+P+H)</td>
<td>100</td>
</tr>
</tbody>
</table>

Source: The authors.

Furthermore, it was defined as a premise that the minimum development time of planted forests should be 25 years. This assumption was made to ensure the accurate capture and storage of carbon removed from the atmosphere in the form of wood rather than being transformed into cellulose or advanced electricity/fuels.

2.4. Scenarios

Scenario analysis provides a way to consider different future possibilities in a long-term horizon, considering uncertainties and examining the requirements for a transition toward a given goal. Its purpose is to provide support for decision makers concerning the future consequences of decisions taken in the present [48].

To achieve the goal of neutralizing the Termope's GHG emissions by 2050, it was proposed to apply the scenario analysis methodology. These scenarios aimed to represent options for penetrating the different GHG mitigation and offset measures previously presented in this study. Thus, five different scenarios were developed (Table 1).

Subsequently, assessments were made on the possibility of developing each type of GHG mitigation/offset measure and its implementation horizons.

3. Results and discussion

This section is dedicated to presenting the results obtained from the application of the methodology described above. In this sense, the grouping structure was maintained, first showing the technical and financial results of each proposed measure, and then relating them to the scenarios.

3.1. Termope's greenhouse gas emissions

From the combustion of natural gas, it was estimated that for each kilogram (kg) of natural gas burned, 2.657 kg of CO₂ were generated.

For the configuration of two 7F.04 turbines, in combined-cycle with a third steam turbine, it was obtained that for each
kWh generated, 357 g of CO₂ were emitted. Knowing the total energy generated by Termope in 2019, according to the National Electric System Operator (acronym in Portuguese - ONS), it was estimated that the total GHG emitted in that year was 1.24 Mt of CO₂. As a result, the natural gas consumption corresponded to 466 kton or 597.4 MNm³.

### 3.2. Termope's greenhouse gas mitigation

#### 3.2.1 Photovoltaics

The model developed with the SAM tool considered a total land area of 25,042 m², enabling the consolidation of a 2.84 MW photovoltaic power system. Its composition included 8,586 modules and nine inverters by the specifications previously mentioned.

The simulation results indicated a capacity factor of 20% and an average annual output of 4,963 MWh, considering the first year of operation as a reference. Such energy amount represented around 8% of Termope's self-consumption. In terms of GHG, the mitigation potential corresponded to 1,491 tCO₂e/year, accounting for 0.14% of the total emissions estimated by this study for 2019.

The capital and operation costs obtained for the proposed system were, respectively, 3.1 MUS$ and 13,835 US$/year. After levelizing these figures to the present value, the resulting LCOE was 0.05 US$/kWh. Therefore, the calculated MAC for this mitigation option was 48.10 US$/tCO₂e.year.

Although its contribution may seem of minor importance, this was considered an appropriate option since this kind of system has a short-term implementation of approximately one year [15]. Furthermore, this solution may serve as a good practice reference, encouraging the dissemination of similar projects within corporations. Hence, this is a measure capable of collaborating with renewable energy expansion and climate change mitigation.

#### 3.2.2 Fuel Mix

For fuel mix alternatives, the feasibility of each option was verified. In the case of landfill biogas, it was observed that the regional generation capacity is much lower than the plant's fuel demand. Also, biogas production related to the decomposition of organic matter from urban solid waste decreases considerably over the years, reducing supply throughout the landfill lifespan. Therefore, the use of this type of fuel does not represent a feasible alternative, mainly due to its lack of availability in the long run.

For the second alternative, the BIGCC use analysis, a deficit of biomass was observed in the region. According to [49], Pernambuco presents the worst biomass supply performance among the states in the Northeast region, with demand almost seven times greater than the legal supply. Due to the lack of supply, using a combined-cycle with integrated biomass gasification was discarded as an option.

Regarding the use of hydrogen gas, calculations of energy and water consumption were performed so that a volumetric proportion of 10% H₂ was met. Using as a reference the volume of gas, for a monthly average of approximately 50 Mm³ of natural gas, 5 Mm³ of H₂ is required. According to the calculation parameters mentioned in Section 2, the electricity required by the electrolysis was estimated at 24,892 MWh/month, and the consumption of approximately 4 million liters of water per month is also required. With these requirements, an electrolyser of approximately 35 MWe is needed.

It was assumed that the entry of such technology might occur up to 2030, with an estimated capital cost of 52.5 MUS$ this year. The implementation of this technology could allow a 9.8% emission reduction, and with this, the obtained MAC for this measure was 41.46 US$/tCO₂e.year.

#### 3.2.3 Carbon capture and storage

Considering 381 Brazilian oil fields in production, of which 219 are onshore and in Northeastern Brazil, 90 were selected in the scope of this study as they are reasonable to receive CO₂ injection. These fields' total estimated storage capacity was 143 MtCO₂, considering a stock of 1.33 tCO₂ per ton of oil produced (Table 2).

Using a georeferencing tool, the fields that presented the greater storage capacity from each basin were selected as hotspots for this study: Canto do Amaro, from Potiguar Basin, Agua Grande, from Recôncavo Basin, and Pilar, from Sergipe-Alagoas Basin. Fig. 2 shows the locations of Termope and the hotspots. The distance between Termope and Canto do Amaro field is 438 km, and between Termope and Pilar and Agua Grande fields is 557 km. Then, it was established the construction of only one pipeline, due to the large-scale gains of this type of construction [50].

Potiguar Basin presented an estimated storage capacity of 39.4 MtCO₂, Recôncavo Basin demonstrated a storage capacity of 91.8 MtCO₂, and Sergipe-Alagoas Basin indicated a capacity of 11.9 MtCO₂. Hence, only the pipeline's construction connecting Termope to Pilar and Agua Grande fields would be necessary since these fields can provide a storage capacity of 103.7 MtCO₂, providing sufficient storage volume to mitigate Termope's emissions in the long term. Supposing the volume of CO₂ emissions provoked by Termope, the chosen pipeline would afford a lifetime of approximately 90 years to mitigate the combined-cycle natural gas-fired thermopower plant emissions or even other emission sources located around it.

IECM tool configuration selected amines as a solvent for capturing the CO₂ from Termope. Results showed an Equivalent Annual Cost of 64.95 MUS$/year to implement the capture plant and to build the pipeline, considering a power plant lifetime of 30 years. In this sense, Termope's LCOE would be increased by US$ 64.90/MWh, while the MAC was estimated at US$ 179.51/tCO₂e.year.

<table>
<thead>
<tr>
<th>Sedimentary basin</th>
<th>Total of fields</th>
<th>CO₂ storage (MtCO₂)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recôncavo</td>
<td>45</td>
<td>91.8</td>
</tr>
<tr>
<td>Potiguar</td>
<td>32</td>
<td>39.4</td>
</tr>
<tr>
<td>Sergipe-Alagoas</td>
<td>13</td>
<td>11.9</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>90</strong></td>
<td><strong>143.1</strong></td>
</tr>
</tbody>
</table>

Source: The authors.
CCS is an incipient technology, and there are no projects on a commercial scale yet, only pilots, thus this mitigation measure has significantly high costs, which tend to decline due to learning by doing [51,52]. However, this alternative is attractive for a carbon-neutral future, as it is one of the only mitigation technologies capable of substantially contributing to the reduction of CO2 emissions in the long term, whether from energy sources or industrial processes [53,54].

3.3. Offset of Termope's greenhouse gases

The implementation of the ILF system is highly beneficial for both rural and thermopower producers. From Termope's point of view, this agricultural production system comes as a technological solution for GHG offset and as good business practice since this system can align its efforts against climate change. For the rural producer, as it allows the recovery of degraded pasture, this system generates increased productivity of this producer's key production (livestock). It helps in financial stability in the long term. Forest element enters as a type of savings that must be introduced to serve as financial stock when unforeseen events occur in its main production process.

However, it is essential to note that carbon capture and storage during the vegetative growth period is only considered an environmental GHG offset process if the wood of this planted forest is used for nobler purposes than roasting or burning use, as furniture or construction industry use.

Another point is that the forest helps to increase local biodiversity, resulting in more significant amounts of animal species on the property, which helps in pest control and provides less need for chemical pesticides. There is also water bias, in which the forest helps to reduce the consumption of water by livestock due to the improvement of thermal comfort of the animal through shadows and decreases the surface runoff, increasing the permeabilization of water in the soil during intense rains. It should be noted that the ILF is a means of agricultural production that improves soil fertility and mitigates local erosive processes. However, for this to happen, it is necessary to intake large volumes of nitrogen fertilizers, being this system considered a high productivity agricultural production process.

Therefore, high levels of GHG emissions (9.5 t\(\text{CO}_2\)/ha.year) were estimated. However, this system could become a major GHG mitigator when together with eucalyptus forestry, by stocking CO2 (30.5 t\(\text{CO}_2\)/ha.year) in the soil through the root system of the trees and in the woody material of these same trees, reaching average levels of 21 t\(\text{CO}_2\)/ha.year. With this, an average investment of approximately 36.81 US$/t\(\text{CO}_2\)/year was obtained for the implementation of this type of GHG offset method, using a 773 US$/ha.year.

Hence, it would be necessary to implement this type of production system in about 90,000 hectares up to 2043 so that, by 2050, the planted forests are sufficiently developed to capture high rates of CO2 during their cell growth. Although this area seems high, it represents only about 0.2% of the entire degraded pasture area of the state of Pernambuco, thus being possible for its implementation in more favorable places.

3.4. Scenarios

According to the most recent edition of the Report of Annual Estimates of Greenhouse Gas Emissions in Brazil [55], emissions related to the energy sector, including power generation, have been growing year by year. In 2015, this sector contributed to more than a quarter of the total emissions in the country, with the largest share due to fossil fuel combustion. Therefore, the increased need to drive thermopower plants to meet growing demand, added to periods of drought that harm hydroelectric generation, contributes in a relevant way so that emissions from this category also increase, especially in cases of absence of mitigation/offset measures and policies to encourage renewable sources expansion.

Regarding Termope's case, the measures described in previous sections aim to minimize net emissions to collaborate, even individually, with the slowdown of the associated impacts. Nevertheless, even if there are local initiatives, they are also in line with the national actions indicated in the Third Biennial Update Report of Brazil to the UNFCCC [56]. Among them, it can be highlighted the promotion of photovoltaic systems in centralized and distributed generation, the increased use of biofuels, and the restoration of degraded pastures.

Table 3 summarizes the Marginal Abatement Cost for each option. These costs reflect the amount incurred so that 1 t\(\text{CO}_2\) is neutralized.

The scenarios for the adoption of mitigation or offset measures by Termope, illustrated in Fig. 3, showed that it is possible to offset Termope's GHG emissions within the
Table 3. Storage capacity for each considered sedimentary basin

<table>
<thead>
<tr>
<th>Analyzed Option</th>
<th>MAC (US$/ton CO(_2))</th>
</tr>
</thead>
<tbody>
<tr>
<td>ILF</td>
<td>36.81</td>
</tr>
<tr>
<td>H(_2) Fuel Mix</td>
<td>41.46</td>
</tr>
<tr>
<td>Photovoltaic</td>
<td>48.1</td>
</tr>
<tr>
<td>CCS</td>
<td>179.51</td>
</tr>
</tbody>
</table>

Source: The authors.

Figure 3. Evolution of mitigated/offset emissions up to 2050.
Source: The authors.

Thus, the joint analysis of Fig. 3 and Fig. 4 concludes that, strictly from the point of view of costs and the search for the fastest solution among the current possibilities, the ILF scenario would be the most indicated. In contrast, a more diverse scenario would still ensure goal achievement and would be less exposed to the risk of complications in the conduct of any of the measures. Thus, these diversified scenarios would be more favourable, as they would avoid a situation of dependence on an exclusive action.

4. Conclusion

Through the scenarios proposed in this study, it is observed that there are many possible ways to offset GHG emissions from natural gas thermopower plants. Such scenarios are based on technologies already practiced, such as ICLF and photovoltaics, and on technologies still in development, such as hydrogen from renewable sources and CCS. It occurs that ICLF and photovoltaics have lower costs than CCS. The ILF scenario, for example, indicates CO\(_2\) offset costs 96% lower than the CCS scenario, 87.74 MUS$ against 2,445 MUS$.

Hence, the scenarios analysis shows that the ILF option is the most suitable from a financial perspective. In contrast, the CCS scenario is the most expensive, but, once implemented, it would make it possible to substantially capture CO\(_2\) emissions in a quick and accurate way over the long term, facilitating the avoided emissions monitoring. As their main positive point, the diversified scenarios have the fact that they are less exposed to the risk of complications, as they do not depend on one exclusive action, providing greater reliability.

The MAC of ILF, hydrogen, photovoltaics, and CCS, to mitigate a ton of CO\(_2\), are US$ 36.81, US$ 41.46, US$ 48.10, and US$ 179.51, respectively. According to [58], to meet the goals established in the Paris Agreement, the price per ton of carbon should be in the range from 50 to 100 dollars by 2030. With this pricing, ILF, hydrogen and photovoltaics would have a more favorable implementation than the purchase of carbon credits. For CCS, the same cannot be said. CCS MAC would need to fall by at least 56% to be considered economically viable in an optimistic scenario.

Regarding the photovoltaic solution, despite not showing significant results for the Termope's carbon offset due to limited area availability, this measure is valid to reduce a portion of the plant's energy self-consumption. To become a significant option, it would be necessary to use larger areas,
but by doing so, the costs may change too. Furthermore, the dissemination of such initiative, considered a good practice, may positively impact stakeholders.

Carbon capture and storage technology proves to be a promising means of carbon offset, but it requires high initial investments. The implementation of CCS initially causes a considerable energy penalty for the thermopower plant, requiring electrical energy consumption from greater volumes of fossil fuel to carry out the CO₂ capture, storage, and transport process. Also, this technology is responsible for greater demands and water consumption, which is not a problem in Termope's case since it already captures seawater. Nevertheless, it ends up causing an energy penalty due to the water desalination process. However, CCS may positively impact energy security in the region due to the possibility of using this captured CO₂ to increase the recovery factor of mature oil and gas wells.

As for ILF systems, in addition to the important role in combating climate change, this measure also has other benefits, such as bringing the company closer to rural producers, qualifying labor and generating jobs, recovering degraded pasture areas, increasing biodiversity, and reducing water consumption by livestock. Notwithstanding, it is necessary to observe the need to implement monitoring, inspection, and control procedures for this type of production. The wood produced should not be used for electricity or biofuels generation purposes but stocked in logs to create furniture and other inputs to store CO₂ for a long time through eucalyptus cell growth.

Regarding the alternatives studied for a possible fuel mix, the first two, landfill gas and synthesis gas processed through biomass gasification, proved to be unfeasible for Termope, mainly due to the lack of available inputs. Thus, only H₂ was considered. However, its implementation depends on several factors such as water availability, water demineralization plant, availability of surplus energy from renewable sources and H₂ storage tanks. In its financial analysis, only the investment values related to the electrolysis plant were considered. Even so, it is understood that this is an alternative that may prove viable for the near future, with the growth of intermittent renewable sources in Northeastern Brazil and technological development in the coming years.

Therefore, the carbon offset of a gas-fired thermopower plant such as Termope requires great logistical challenges. There is not only a single best alternative but diverse possibilities.

In short, the technologies that are already commercially available bring interesting results with lower costs, but demand, for example, greater investments in areas for the installation of photovoltaic modules, which is not often possible, or in qualified labor for carrying out the monitoring of areas for the implementation of agricultural production systems such as the ILF type. Moreover, despite CCS showing results through high monetary investments, literature shows that in the long term it has great importance for maintaining atmospheric CO₂ levels within the expected climatic scenarios of 1.5 and 2.0°C. It also causes lesser impacts on local water availability since it needs smaller proportions than ILF systems and can be installed close to coastal regions, where it is possible to use seawater.

Additionally, it is important to highlight that the scenarios did not consider the emissions related to life cycle analysis (LCA). This approach, for instance, could provide more assertive and valuable information, possibly leading to the prioritization of different scenarios. According to [59], a coal-fired power plant with 90% CO₂ capture would actually avoid only 72% of emissions, taking into account LCA. However, this assessment was not conducted for Termope's case, so comparability is not guaranteed. Thus, it is recommended for future research.

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