

# The LEANWIND suite of logistics optimisation & full lifecycle simulation models for offshore wind farms

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# **Presentation overview**

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- Introduction
- Methodology
- Logistics optimisation models
- Financial simulation model
- Combined use
- Potential end-users





### Significant cost reductions to date:

Vattenfall's 2016 offshore wind price bid of €49.9/MWh for the Kriegers Flak project set a record LCOE forecast of €40/MWh

## Current and future challenges to maintain & surpass savings:

- Increased industry competition to find cost reductions
- New markets yet to achieve LCOE forecasts
- Sites further from shore in deeper waters and harsher conditions
- Larger turbines and farms with new equipment and logistical requirements
- Facing the unknown the decommissioning phase





What progress needs to be made?									
Turbine	Foundation & tower	Transmission	Installation	OMS	Development				
Technology contributions to reducing LCOE									
10%	1.5%	3%	3% 1.5%		2%				
Supply chain contributions to reducing LCOE									
2%	1.5%	2%	1.5%	1%	1%				

Source: BVG Associates 2016 The supply-chain's role in LCOE reduction, Belgo-British offshore wind farm supply-chain seminar Brussels

# Introduction



#### Logistic Efficiencies And Naval architecture for Wind Installations with Novel Developments

OBJECTIVE: to provide cost reductions across the offshore wind farm lifecycle and supply chain through the application of lean principles and the development of state of the art technologies and tools.

- UCC is coordinator
- 31 partner organisations
  - 52% industry partners
  - Representing 11 countries;
- €14.9m total funding;
- €10m EC funding;
- 4 year duration
  - December 2013-November 2017

**Project Partners** 



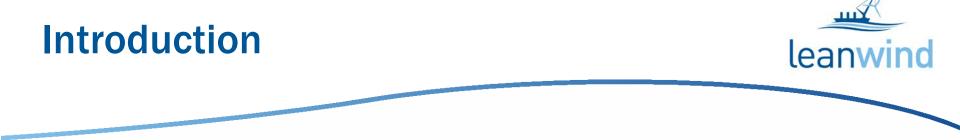




Modelling is a safe and cost-effective way to evaluate and optimise operations. However, there is a lack of comprehensive decision-support tools, detailed enough to provide insight into the effects of technological innovations and novel strategies.

They can reduce costs by identifying potential savings and fostering effective decision-making for a wide range of stakeholders.

LEANWIND developed a suite of logistics and financial tools, which can optimise the entire supply-chain and simulate the full wind farm lifecycle, providing in-depth cost and time analysis.



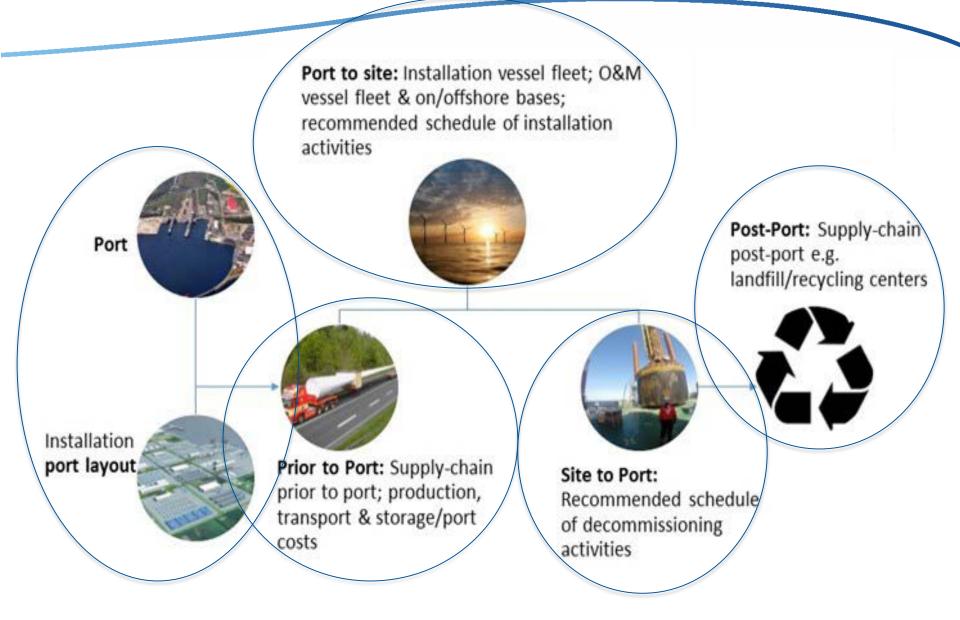
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#### Methodology





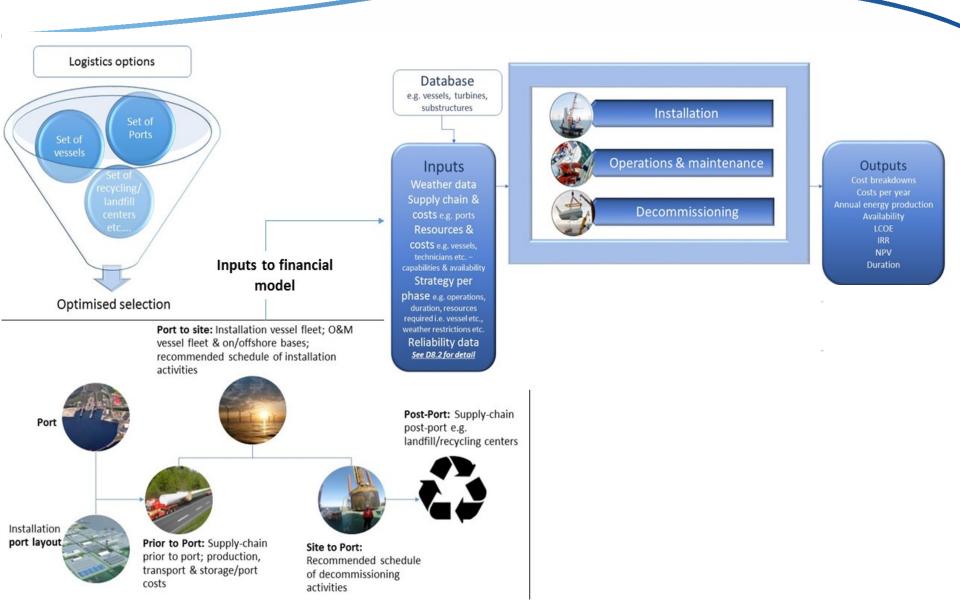
#### Methodology





#### Methodology



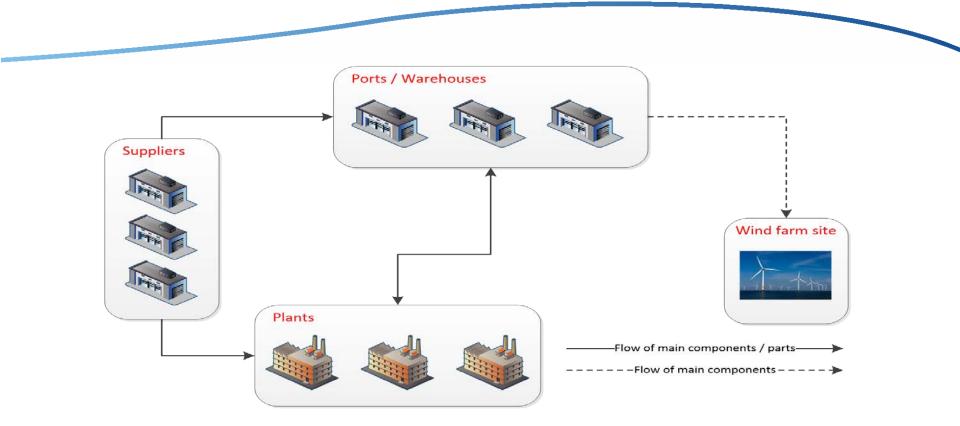




	Installation	0&M	Decommissioning
Prior to/post port	PTPIns	PTPOM	IntDis
At port	Portlay, PortIns	PortOM	PortDis
To/from offshore site	VMIns	VMOM	IntDis

- <u>Prior to/post port:</u> manufacturing, transportation, storage, and assembly.
- <u>At port:</u> selection of the port(s) for each lifecycle phase & optimal layout (installation phase).
- <u>Supply to/from offshore site:</u> transportation of parts to/from the port to the site.

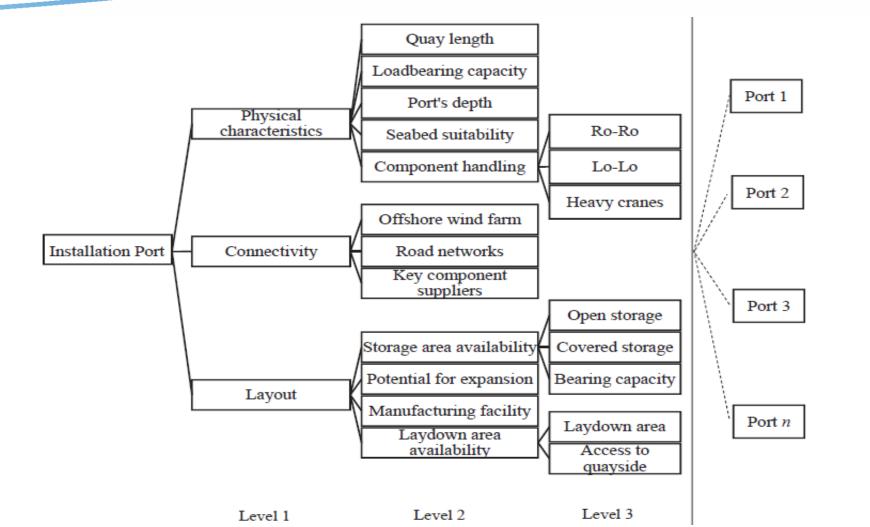
## **PTPIns PTPOM – prior to port models**



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Optimal arrangement of supply chain (suppliers, manufacturers/plants, and warehouses (ports)) and schedule from the production of turbine parts to delivery at port.

## **PortIns PortOM PortDis – port selection**

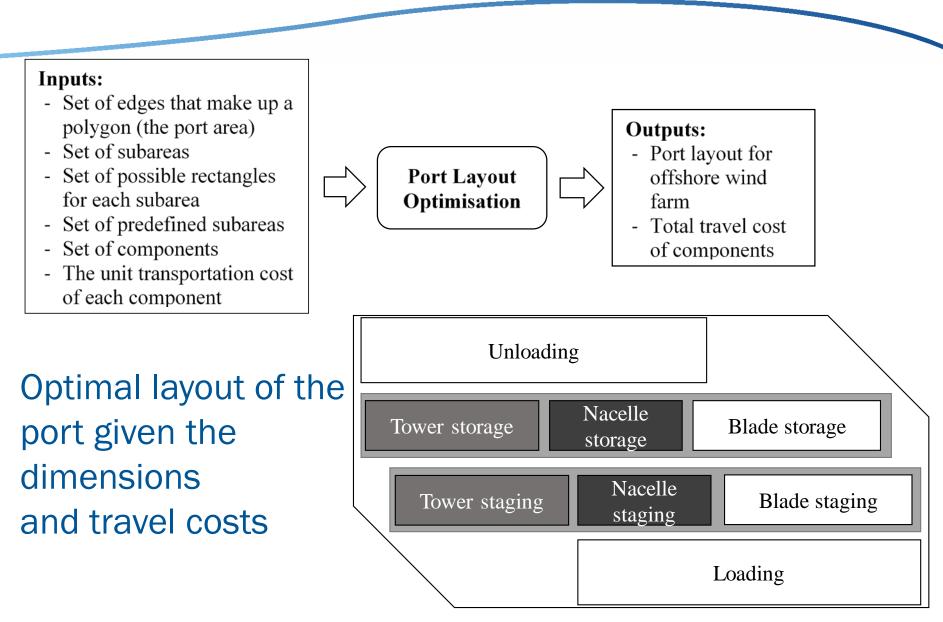


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Source: Akbari N, Irawan C, Jones D and Menachof D 2017 A multi-criteria port suitability assessment for developments in the offshore wind industry Renewable Energy 102 pp 118-133

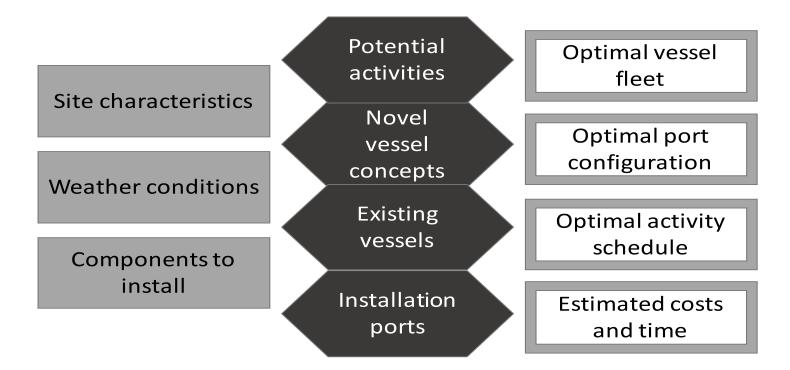
# Portlay - port layout





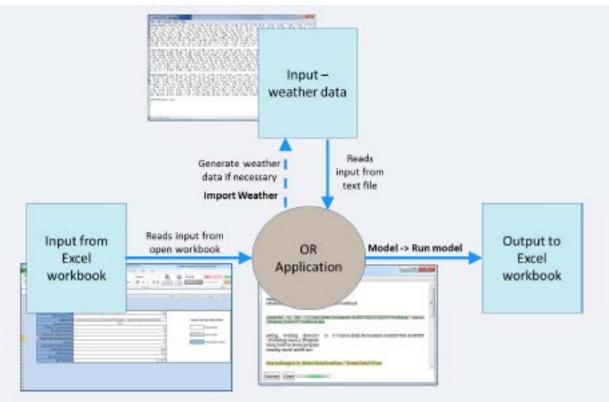


VMIns - optimal vessel fleet and schedule of installation activities i.e. the number of components to be installed per day.



VMOM - Based on the generated corrective & preventive maintenance patterns, the model chooses the *number and type of vessels and* the corresponding *infrastructure (bases,* 

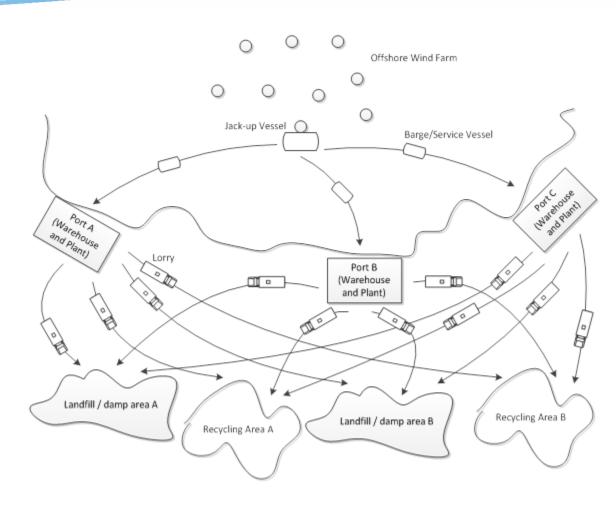
*platform, mothership)* needed in the offshore transport system.



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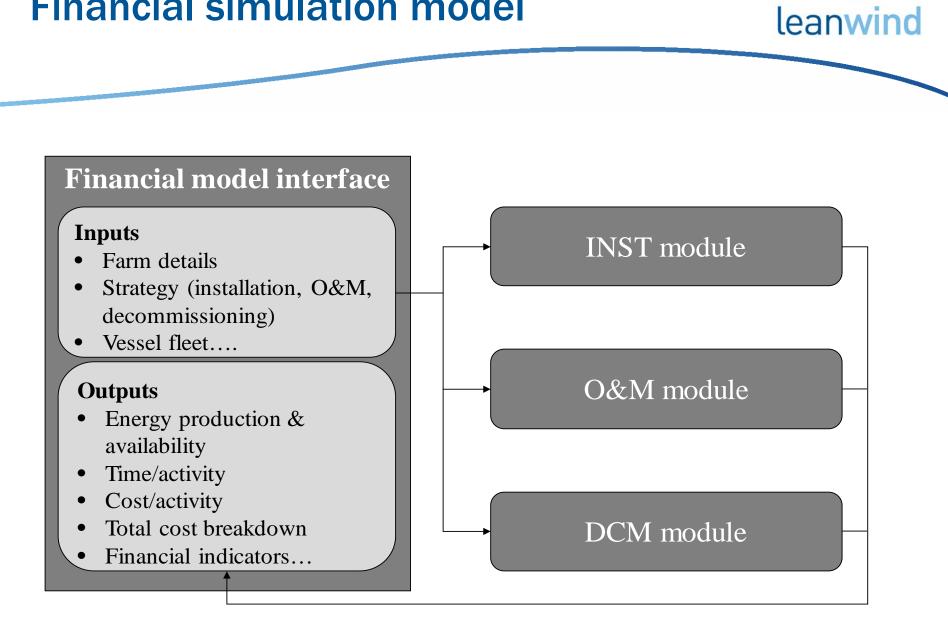
Source: Nonås L, Halvorsen-Weare E E and Stålhane M 2015 Finding cost-optimal solutions for the maritime logistic challenges for maintenance operations at Offshore Wind Farms (Denmark: Poster presentation at EWEA Offshore Wind Conference)

# IntDis – integrated dismantling model



Vessel schedule and flow of components for decommissioning. The objective function is to minimise the total cost of activities.

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## **Financial simulation model**

# **Financial simulation models**



#### **Key Outputs**

- Full project timeline i.e. duration of activities across the lifecycle
- Energy yield and availability
- Detailed breakdown of
  - capital & installation costs (CAPEX)
  - operation & maintenance costs (OPEX)
  - decommissioning costs (DECEX)
- LCOE, NPV, IRR and payback period
- Cashflow with project profit and loss sheet
- Balance sheet to evaluate debt and equity



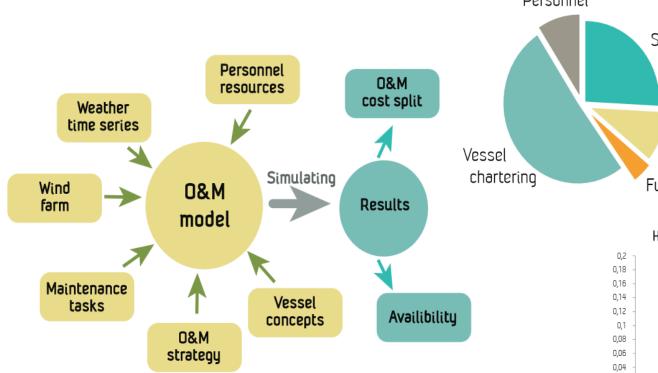


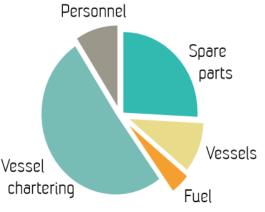
Scope: the turbine, foundation, substation, substation foundation, export and inter-array cabling. The user can specify or use a pre-defined selection of assets. Different operations are then associated with the installation of each asset e.g.

		Tower	
Installation method	Lifts	$\bigcirc \bigcirc \bigcirc$	
2 tower parts, nacelle and hub pre-assembled	6		
Tower parts and nacelle and hub pre-assembled	5	Hub	
Blades and hub pre-assembled	4		
Nacelle, hub and 2 blades (bunny ears) pre-assembled	4		
Tower parts and nacelle, hub and 2 blades (bunny ears) pre- assembled	3	Nacelle	
Pre-assembled	1		Blades
Pre-installed on substructure	0		V V V

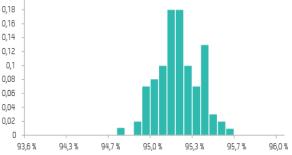
## **O&M** module







Histogram Electricity-based availability

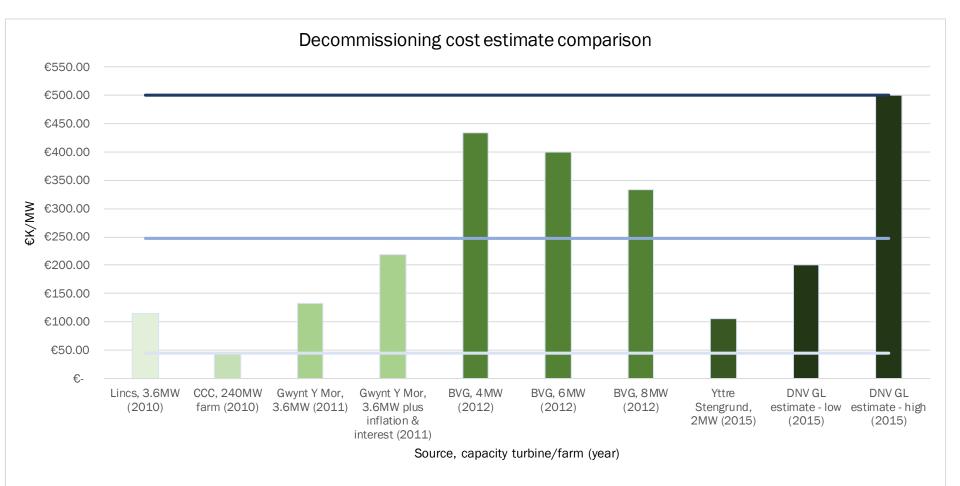




- Hofmann M and Sperstad I B 2013 NOWIcob A tool for reducing the maintenance costs of offshore wind farms *Energy Procedia* 35 pp 177–186
- Sperstad I B, Kolstad M and Hofmann M 2017 Technical Documentation of Version 3.3 of the NOWIcob Tool Report no. TR A7374, v. 4.0 (Trondheim: SINTEF Energy Research)
- Sperstad I B, Stålhane M. Dinwoodie I, Endrerud O.-E. V., Martin R and Warner E 2017 Testing the robustness of optimal access vessel fleet selection for operation and maintenance of offshore wind farms Ocean Engineering 145 pp 334–343
- Sperstad I B, Devoy McAuliffe F, Kolstad M L and S Sjømark 2016 Investigating Key Decision Problems to Optimize the Operation and Maintenance Strategy of Offshore Wind Farms Energy Procedia 94 pp 261-268









**Scope:** Turbine and foundation.

**Inputs:** The component (e.g. blades, nacelle, gearbox etc.) and order in which they are dismantled; component materials and weight; operation durations; up to three destination ports; landfill or recycling centre locations; number of technicians; vessels available etc.

Outputs: Costs; time and revenue e.g. salvage

Validation: Results for the C-Power OWF were €513,000 per MW within range estimated by DNV GL of €200,000-€600,000/MW (Source: Chamberlain K 2016 Offshore Operators Act on Early Decommissioning (http://newenergyupdate.com/wind-energy-update/offshore-operators-act-early-decommissioning-data-limit-costs: New Energy Update)

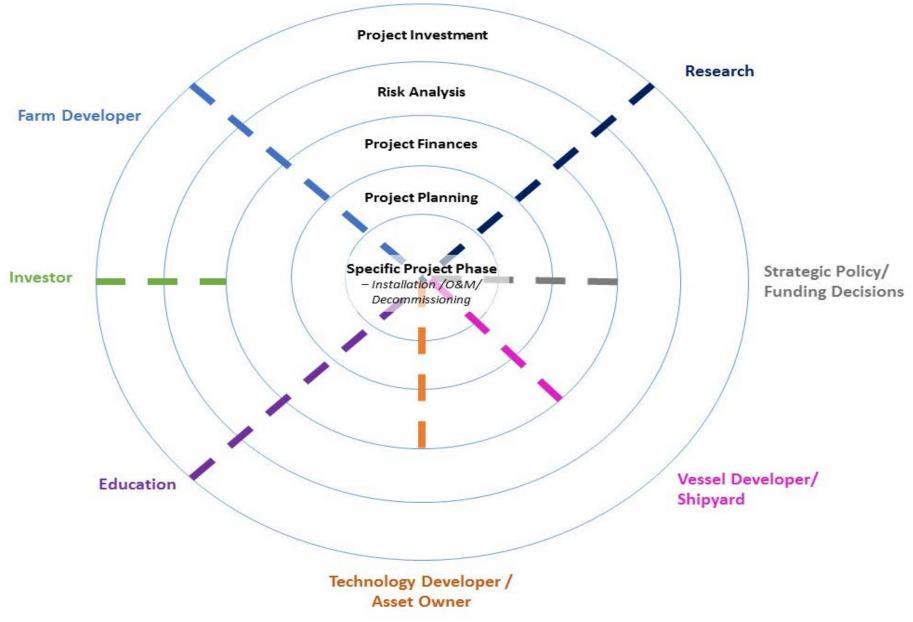


Different objectives and methodologies but complementary:

- Very time-consuming to optimise a scenario with simulation models & not humanly possible to consider all possible solutions.
- The optimisation models determine the key supply-chain configurations and the financial models examine the top ranking options in further detail.
- Simulation models can assess a scenario in detail and the Monte Carlo method considers the uncertainty of key risk factors e.g. failures and weather.
- Combined they can obtain the most economically viable and time efficient solutions to a wide range of logistical and strategic issues.

## **Potential end-users**







- 1. Comprehensive and complementary set of logistics and financial models
- 2. Can foster significant cost-savings in the industry through effective decision-support.
- 3. Fill a significant gap in the current models available.
- 4. They can be used individually or together to optimise and simulate the full supply-chain and lifecycle of an OWF project.
- 5. Combined use can save considerable computational time.
- 6. Designed primarily for the project planning and design phase but also useful during operational period.
- 7. They can address current and future challenges faced by a wide range of stakeholders.

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Thank you very much for your attention