Policy resistance, limits to growth and pulling factors: a system dynamics view of the energy transition explained through a causal loop diagram pietro.solaroli2@studio.unibo.it, diego.marazza@unibo.it, andrea.cavina8@unibo.it





Final note. Important in the realisation of the model was the interview of sector experts. The use of the causal diagram was essential for the construction of a (not always shared) narrative.



Numerically operable energy transition causal-logic model using system dynamics syntax (NUMEN-LOG)

<u>Purpose</u>: To explain phenomena observed by IEA and other international energy organisations. <u>Syntax</u>: exponential growth explained by reinforcing loops (**R**) braking/stopping signals explained by balancing loops (**B**); information links:

→+ the greater/less the cause the greater/less the effect (same)

- → the greater/less the cause the less/greater the effect (opposite)
- ★ variables in the simplified view

Synthetic representation: the diagram is a simplified view of the model. The following illustrates a sample of richer dynamics included in the current model (see details in QR code page).

**Fast growth (** $\mathbb{R}^{1}$ **)** policy measures boost the growth of renewable energy installations  $\rightarrow$ **+** learning curve forward  $\rightarrow +$  bankability of projects  $\rightarrow +$  new installations

## Adaptions costs and policy resistance (**B1**, **B2**)

number of installation and infrastructures  $\rightarrow +$  costs of adapting and expanding power grids, skilled labor, and permitting issues  $\rightarrow$  – availability of capital for transition (B1)  $\rightarrow$  – while also eroding policy measures (B2)

New uses growth (R2) Renewables deeply have a strong impact  $\rightarrow$  + on the price of electricity and stimulate investments that lead to widespread  $\rightarrow +$  electrification of the energy system.

**Costs of phasing out of fossil fuels (B3)** energy distribution and use systems will come at the cost of disposing existing infrastructures and technologies affecting negatively  $\rightarrow$  – growth of capitals, skilled workforce, and other resources. Energy storage is seen as a production cost alleviating adaption

costs of use systems.

