

## **Overview of Microgrids, Problems and Solutions**

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### Topics

- Introduction
- Definition
- Technical, Economic and Environmental Benefits of MicroGrids
- Conceptual design of MicroGrids
- Integration requirements and device-network interfaces
- Market and regulatory frameworks for MicroGrids
- Modelling and simulation of MicroGrids
- The MicroGrids Project
- Conclusions



#### Introduction

- In the last 20 years power systems witnessed important changes:
  - Centralized paradigm versus more decentralized and market driven approaches;
  - Legal and regulatory changes;
    - Vertical and horizontal changes;
    - New tariff systems;
  - Large technical advances (communications and computation);
  - Larger environmental concerns;
  - New generation technologies



#### **Distributed Generation Technologies**



#### **Advanced Turbines**

#### Examples



#### **Reciprocating Engines**



#### **Fuel Cells**



**Photovoltaics** 











#### What are MICROGRIDS?

Interconnection of small, modular generation to low voltage distribution systems can form a new type of power system, the MicroGrid. MicroGrids can be operated connected to the main power network or autonomously, similar to power systems of physical islands, in a **controlled**,

coordinated way.





## Technical, economic and environmental benefits

- Energy efficiency
- Minimisation of the overall energy consumption
- Improved environmental impact
- Improvement of energy system reliability and resilience
- Network benefits
- Cost efficient electricity infrastructure replacement strategies
- Cost benefit assessment







Increasing frequency and size of US power outages 100 MW or more (1991-1995 vs. 1996-2000), affecting 50,000 or more consumers per event.



M.Amin – Balancing Market Priorities with Security Issues, IEEE Power&Energy, Vol. 2, Nr. 4, July/August 2004, data NERC's disturbance analysis working group database) "Distributed Generation, Grid and Micro Grid Problems", Bilbao, 19<sup>th</sup> October 2004





## Utility Constructions: "Harvesting the farm far more rapidly than planting new seeds"



#### Since 1995 to the present, the amortization/depreciation rate • exceeds utility construction expenditures

M.Amin – Balancing Market Priorities with Security Issues, IEEE Power&Energy, Vol. 2, Nr. 4, July/August 2004, data by EEI and graph by EPRI)



## **Technical Challenges for Microgrids**

- Relatively large imbalances between load and generation to be managed (significant load participation required, need for new technologies, review of the boundaries of microgrids)
- Specific network characteristics (strong interaction between active and reactive power, control and market implications)
- Small size (challenging management)
- Use of different generation technologies (prime movers)
- Presence of power electronic interfaces
- Protection and Safety



## Market and Regulatory Challenges

- coordinated but decentralised energy trading and management
- market mechanisms to ensure efficient, fair and secure supply and demand balancing
- development of price-based energy and ancillary services arrangements for congestion management
- secure and open access to the network and efficient allocation of network costs
- alternative ownership structures, energy service providers
- new roles and responsibilities of supply company, distribution company, and consumer/customer





## **The MicroGrids Project**

#### **R&D** Objectives:

- Contribute to increase the share of renewables and to reduce GHG emissions;
- Study the operation of MicroGrids in normal and islanding conditions;
- Optimize the operation of local generation sources;
- Develop and demonstrate control strategies to ensure efficient, reliable and economic operation;
- Simulate and demonstrate a MicroGrid in lab conditions;
- Define protection and grounding schemes;
- Define communication infrastructure and protocols;
- Identify legal, administrative and regulatory barriers and propose measures to eliminate them;

#### **MICROGRIDS - 9** Workpackages

Investigation of Regulatory, Commercial, Economic and Environmental Issues Development of Steady State and Dynamic **Simulation Tools** Development of Local Micro Source Controllers Development of Micro Grid Central Controller **Development of Emergency Functions** Investigation of Safety and Protection Investigation of Telecommunication Infrastructures and Communication Protocols **Development of Laboratory MicroGrids** Evaluation of the system performance on study case networks

## **MicroGrids Highlights**

- Islanding and interconnected operation philosophy
- Control philosophies (hierarchical vs. distributed)
- Energy management within and outside of the distributed power system
- Device and interface response and intelligence requirements
- Permissible expenditure and quantification of reliability benefits
- protection options for networks of variable configurations
- Steady State and Dynamic Analysis Tools Distributed Generation, Grid and Micro Grid Problems", Bilbao, 19th October 2004

#### **MicroGrids – Hierarchical Control**

MicroGrid Central Controller (MGCC) promotes technical and economical operation, provides set points to LC and MC; Interface with loads and micro sources and DMS;
MC and LC Controllers: interfaces to control interruptible loads and micro sources (active and reactive generation levels).





#### **Interconnected Operation**

- MicroGrids can operate:
  - Normal Interconnected Mode :
    - Connection with the main MV grid;
    - Supply, at least partially, the loads or injecting in the MV grid;
    - In this case, the MGCC:
      - Interfaces with MC, LC and DMS;
      - Perform studies (forecasting, economic scheduling, DSM functions,...);



# Integration requirements and device-network interfaces

- operation as the "good" and "model citizen"
- seamless transition between interconnected/islanding mode
- resilience under changing conditions
- operation fault level management and protection
- recovery from disturbances and contribution to network restoration
- Safety, modularity, robustness, low losses, calibration and self-tuning



- Droops for synchronising inverters with frequency and voltage!
- Frequency and voltage of the inverter is set according to active and and reactive power.

## Voltage Regulation and Active Power control through droop



- Applied droop concept is based on inductive coupled voltage sources.
- In a LV-grid components are coupled resistive, thus voltage determines the active power distribution
- There are two effects of droops
   direct (inductive coupling)
   indirect (resistive coupling)
- The "indirect" effect requires droops, which have the <u>same sign</u> for the frequency as well as the voltage droop and therefore the stable operation point is "in phase".

The compensation of lines was simulated and is recommendable. Overcompensation has to be avoided!

<sup>1</sup>Orid Problems", Bilbao, 19<sup>th</sup> October 2004





#### Two market policies :

1.Microgrid as a good citizen-maintains zero reactive power serving its own customers needs

2.The Microgrid buys and sells power to the grid



Policy 1- Microgrid serving its own needs



- "Good Citizen"
- MGCC tries to minimise the energy cost for the Microgrid knowing :
  - Prices of the open market for Active and Reactive power
  - Forecasted demand and renewable power production
  - Bids of the Microgrid producers.
  - Technical constraints



#### Policy 2-Buying and selling via an Aggregator

- "Ideal Citizen"
- The MGCC tries to maximise the value of the μ-sources knowing :
  - The market prices for buying and selling energy to the grid (Same prices for end-users of the Microgrid)
  - Demand and renewable production forecasting
  - The offers of the  $\mu$ -sources
  - The technical constraints for the interconnection line and the  $\mu$ -sources





Study Case LV Feeder with DG sources



#### Study Case of Microgrid Operation

- All three feeders taken into account
- Typical demand pattern and actual renewable power production time-series
- Amsterdam Power Exchange Prices.
- Bids from micro sources reflecting their production and installation cost
- Cost reduction of 6.6% for policies 1 and 2 without steady state security
- Steady state security increases cost by 6%.





#### Residential Feeder with DGs

Policy1 Cost Reduction : 12.29 %

Policy 2 Cost reduction : 18.66%

Greater cost reduction when selling to the Grid



Steady state security increases cost by 27% and 29% respectively.



### **Environmental Benefits**

- Average values for emissions of the main grid
- Data about emissions of the μ-sources.



27% reduction in  $CO_2$  emissions due to policy1

Maximum reduction in CO<sub>2</sub> emissions 548kgr/day- 22.11% higher cost

# Annual duration of outage in some EU countries.



Highlig	Highlight - Permissible expenditure to enable islanding						
Customer Sector:		Residential	Commercial				
Annual benefit	=	1.4 £/kW <sub>pk</sub>	15 £/kW <sub>pk</sub>				
Net present value	=	15 £/kW <sub>pk</sub>	160 £/kW <sub>pk</sub>				
Peak demand	=	2 kW	1000 kW				
Perm. expenditure	=	£30	£160,000				
MicroGrid (2,000k) "Distributed Generation	<b>V)</b> on, Grid	£30,000 and Micro Grid Problems",	<b>£320,000</b> Bilbao, 19 <sup>th</sup> October 2004				





#### MICROGRIDS Highlight 3: Reliability Assessment of LV Network

- System Maximum Load Demand: 188 kW
- Capacity of System Infeed: 210 kW (100%)
- Installed Capacity of Wind Generation: 15 kW
- Installed Capacity of PVs: 4\*2,5+1\*3 = 13 kW
- Installed Capacity of Fuel Cells: 30 kW
- Installed Capacity of Microturbines: 30 kW



#### **Reliability Assessment**

	FLOL (ev/yr)	LOLE (hrs/yr)	LOEE (kWh/yr)
Infeed Capacity 100%			
(no microsources)	2,130	23,93	2279,03
Infeed Capacity 80%			
(no microsources)	58,14	124,91	3101,52
Infeed Capacity 80% (with Wind + PV)	14,02	41,67	2039,41
Infeed Capacity 80% (all microsources)	2,28	15,70	716,36

	Reliability Assessment – continued						
		FLOL (ev/yr)	LOLE (hrs/yr)	LOEE (kWh/yr)			
Infeed Capacity 90%							
(no mi	crosources)	8,52	31,08	2313,77			
Infeed Capacity 90%, system load 207 kW (+10%)							
(no mi	crosources)	44,10	92,75	3073,84			
Infeed Capacity 90%, load 207 kW							
(with V	Vind + PV)	11,35	36,69	2232,54			
Infeed Capacity 90%, load 207 kW							
(all mi	crosources)	2,305	16,55	911,68			

## Modelling and simulation of MicroGrids

- modelling of generator technologies (micro generators, biomass fuelled generation, fuel cells, PV, wind turbines), storage, and interfaces
- load modelling and demand side management
- unbalanced deterministic and probabilistic load flow and fault calculators
- unbalanced transient stability models
- stability and electrical protection
- simulation of steady state and dynamic operation
- simulation of interactions between Microgrids

## Main Characteristics of LV Distribution Networks

Radial or meshed network development  $\triangleright$  R comparable or even greater than X (R/X ~ 5)  $\succ$  Unbalanced excitation (loading or generation) Unbalanced network conditions Single phase network sections Mutual coupling between network components Various earthing arrangements TN (TN-S, TN-C)  $\mathbf{IT}$ 

## Main Characteristics of Simulation Tool

- **Phasor approach** adopted for network and sources to increase simulation efficiency.
- Natural **phase quantities** (a-b-c) are used.
- Microsources represented as **EMFs** behind impedance, neglecting "stator transients".
- Lines with any X/R ratio can be handled.
- Radial and non-radial network topologies. All basic neutral earthing schemes can be represented (TN, TT, IT).



## Main Characteristics of Simulation Tool/2

- **Unbalanced conditions** (network, sources, loads) can be modelled and simulated.
- Dynamic simulation of **grid-connected and autonomous** mode of operation.
- Microsources integrated in the code with their respective electronic interfaces.
- Simulation tool based on Matlab and Simulink. Matlab for the core network solver, initialization and post-processing, Simulink for prime movers, controls and numerical integration.











## Further Needs Identified

- More sophisticated control techniques for local Distributed Resource and load controllers to implement
- Study of integration of several Microgrids into operation and development of the power system. Interaction with DMS.
- Need for standardization and benchmarking.
- Field trials to test control strategies on actual Microgrids
- Need for quantification of Microgrids effects on Power sysetm operation and planning
- Need for cooperation and learning from alternative, complementary approaches, under development in US, Canada and Japan





• Supply mstribule duridings in Elempicarie programmes Mar Butes and Prover Dobade)





















### Conclusions

- Microgrids: A new paradigm for future power systems
- Distinct advantages regarding efficiency, reliability, network support, environment, economics
- Challenging technical and regulatory issues
- Needs for benefits quantification

http://microgrids.power.ece.ntua.gr