

The background of the slide is a photograph of a landscape. In the foreground, there are blue solar panels. Behind them, there are several tall, dark green evergreen trees. In the distance, a green hillside is visible under a bright blue sky with scattered white clouds. A large, light grey diagonal shape overlaps the bottom right portion of the image.

## Considering the feedback of grid users when planning distribution networks

HEXAGON workshop on power network optimization

Bertrand Cornélusse, University of Liège, Belgium

Bergamo, June 2024

# Overview

1. Introduction
2. Distribution network development planning
3. Grid user's optimization problem
4. Coupling the problems
5. Results and future work

# Introduction

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# About the "Smart Microgrids Team" at ULiège

- ▶ Around 10 researchers applying optimization, machine learning, and control to power systems (and power electronics)
- ▶ working on (from real-time to long-term)
  - ▶ Hardware-in-the-loop (HiL) for the design and simulation of inverter-based resources
- ▶ Real-time optimization in distribution networks (using HiL)
- ▶ Microgrids and energy communities operation and sizing
- ▶ **Distribution network planning**
- ▶ Senegal's electrical infrastructure planning

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# About me

- ▶ PhD thesis (2010): apply ML to approximate unit commitment for fast intraday reaction (with EDF)
- ▶ European Market coupling algorithm (Euphemia) at N-SIDE (until 2016)

*Savelli, I., Cornélusse, B., Giannitrapani, A., Paoletti, S., & Vicino, A. (2018). A new approach to electricity market clearing with uniform purchase price and curtailable block orders. Applied energy, 226, 618-630.*

- ▶ Since then: various projects on distribution networks and energy communities.
- ▶ **Looking for collaboration, industrial and academic, on "distribution network planning"**

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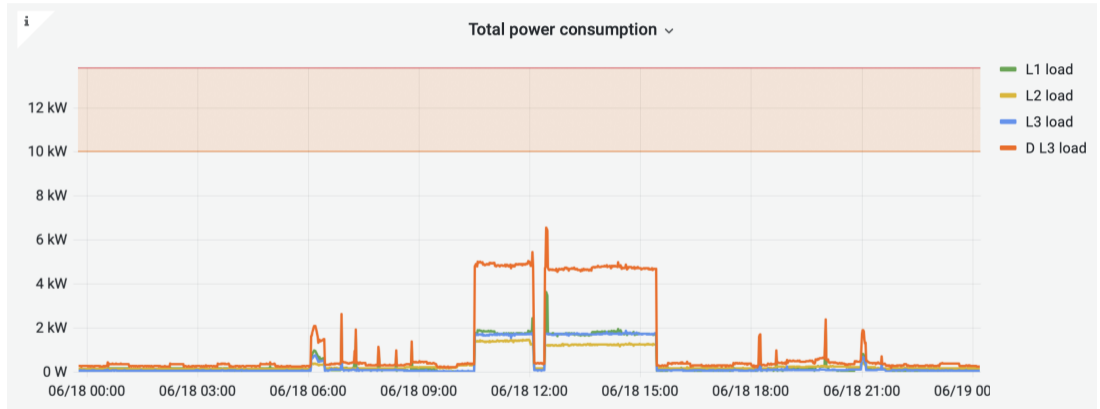


# Context I

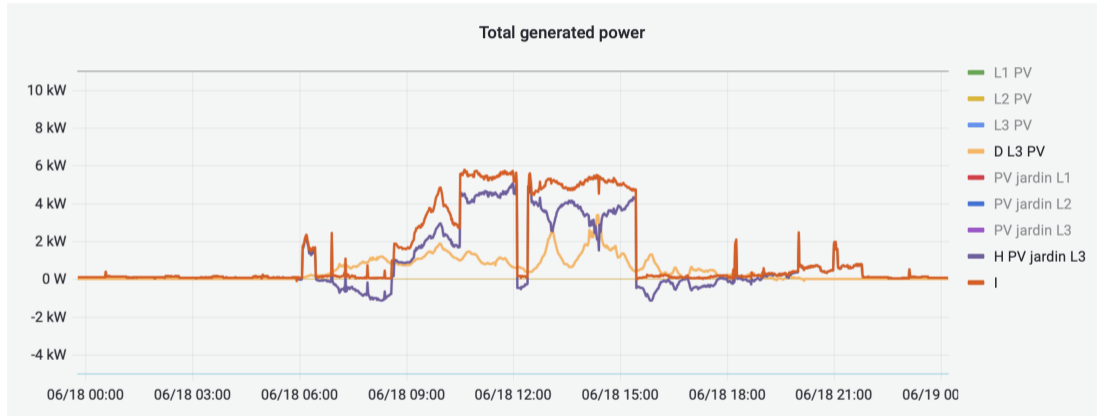
## Energy transition

- ▶ Large increase in distributed generation
- ▶ Shift to electricity consumption for mobility, heating and cooling
- ▶ Battery storage

# Context II

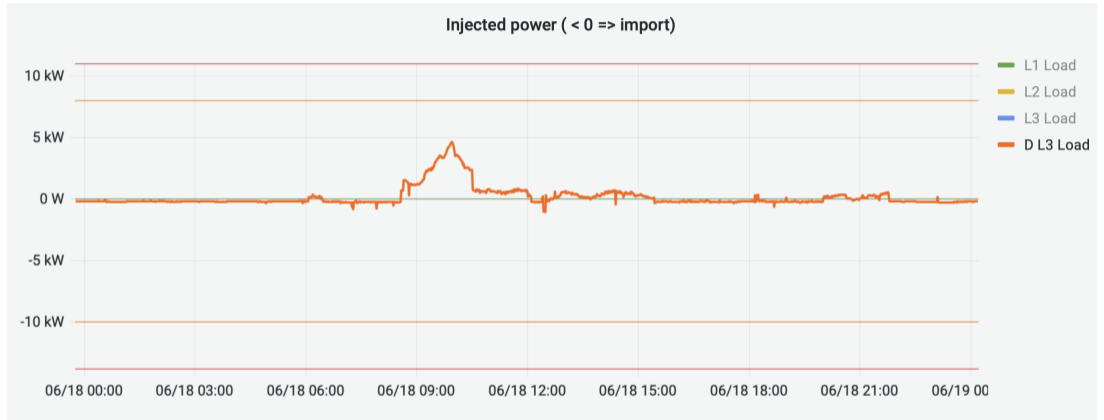


# Context III

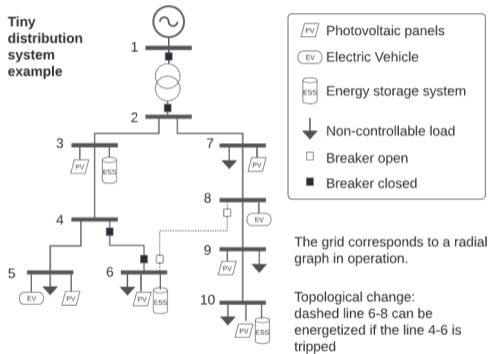




# Context IV



# Context V



Distribution networks require upgrades, but other possibilities

- ▶ Active network management (ANM) schemes
- ▶ Home energy management systems
- ▶ Energy communities

# The current entering a network and the voltage along a feeder fluctuate more and more

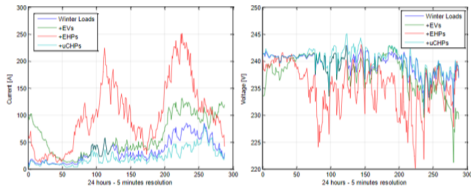


Figure 34: Current and voltage comparison for all the winter cases

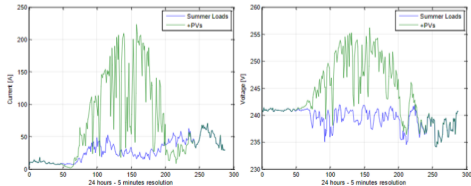


Figure 35: Current and voltage comparison for all the summer cases

Source: Randles, D., By, P., Navarro Espinosa, A., & Ochoa, L. (2015). Low voltage Network Models and Low Carbon Technology Profiles. [www.enwl.co.uk/lvns](http://www.enwl.co.uk/lvns).

Long-term anticipation is hard.

Instead of relying (only) on forecasts (open loop), **let's account for user feedback on network planning and regulatory decisions.**

# Research questions

1. How should networks be reinforced?
2. How should (or will) users invest?
3. How do network investment policies and regulations impact the equilibrium between the network and users?
4. What are good policies for the energy transition, good for everyone?
5. Can ANM or energy communities allow to reduce hardware investment?

# Methodology to answer these questions

Use optimization to represent the "game" between the distribution system operator (DSO) and network users

- ▶ DSO develops the networks based on patterns of users' withdrawals and injections, and available budget
- ▶ Network users minimize their bill using all available options (grid connection,

local generation, storage, etc.)

Solve this game for a representative set of cases (grid topologies, characteristics of users, etc.) and several scenarios

- ▶ Network tariffs
- ▶ Energy prices
- ▶ Costs of storage, renewable generation

# Challenges

- ▶ How to model the game?
- ▶ Generate a representative set of cases (get data, LV, MV)
- ▶ Model uncertainty (available technologies and associated costs, energy costs, etc.)
- ▶ Model the behavior of users (are they always perfectly rational?)
- ▶ Handle the long-term and multi-stage nature of the problem (computational burden)
- ▶ Handle unbalanced low-voltage networks
- ▶ Evaluate or constrain CO<sub>2</sub> emissions and/or other limits

# Distribution network development planning

The background features a white central area with teal-colored geometric shapes. Two large teal triangles point towards each other from the left and right sides, meeting at a point at the bottom center. A smaller, darker teal triangle is positioned at the very bottom center, overlapping the bottom point of the two larger triangles.

# Distribution network development planning (DNDDP)

## Given

- ▶ an area with demand and injection nodes (users that may be connected to the distribution grid)
- ▶ substations locations (connection to the existing higher-level grid)
- ▶ possible routes between substations and grid users where to put cables
- ▶ costs for cable categories, substations, losses, etc.
- ▶ an estimate of withdrawal/injection for grid users (time-series)
- ▶ some pre-existing substations and cables (and their lifetime)
- ▶ operational limits
- ▶ (a budget)

## Determine

- ▶ which substations to build or reinforce
- ▶ where to put new cables and reinforce existing ones



# DNDP as a mixed-integer non-linear program I

Solve the following (deterministic single-stage) mathematical program over a sufficiently long time horizon:

$$\min \quad TLCC(GRID\_CAPEX, losses) \quad (1a)$$

$$\text{s.t.} \quad \text{nodal power balance equations} \quad \forall t \in \mathcal{T} \quad (1b)$$

$$\text{power flow equations} \quad \forall t \in \mathcal{T} \quad (1c)$$

$$\text{operational limits} \quad \forall t \in \mathcal{T} \quad (1d)$$

$$\text{radial operation} \quad \forall t \in \mathcal{T} \quad (1e)$$

It is a MINLP.

# DNDP as a mixed-integer non-linear program II

Variables:

- ▶ Design: **which route to select, which cable** (integer), **substations capacities** (continuous)
- ▶ operation (indexed by time): voltages, currents, active and reactive powers

Objective (Greek variables are parameters):

$$\min \underbrace{(C^{cond} + C^{sub})}_{GRID\_CAPEX} + \alpha \sum_{t \in \mathcal{T}} \underbrace{(C_t^{loss} + \omega^I S_t^I)}_{OPEX}$$

# DNDP as a mixed-integer non-linear program III

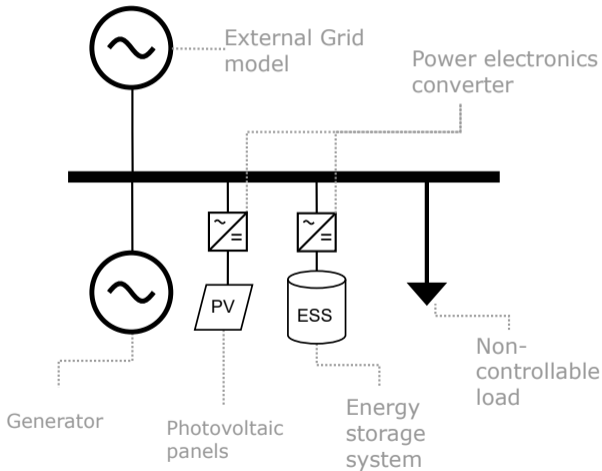
Constraints:

- ▶ Non-linear: power flow equations
- ▶ Combinatorial: choice of routes and cables, radiality constraints

# Grid user's optimization problem

The background of the slide features a white central area where the text is located. This white area is framed by teal-colored geometric shapes. On the left and right sides, there are large teal triangles that point towards the center. At the bottom center, there is a smaller, darker teal triangle pointing upwards, which overlaps with the bottom edges of the larger teal triangles.

# Grid users as microgrids



# Grid users' optimization problem

## Given

- ▶ a demand (e.g. a time series of inflexible demand, an electric vehicle to charge with some flexibility, etc.)
- ▶ available area for installing renewable generation (PV)
- ▶ costs for PV panels, inverters, storage, energy from the grid, etc.

- ▶ some pre-existing devices (and their lifetime)
- ▶ (a budget)

## Determine

- ▶ which grid connection to buy, which devices to install
- ▶ the operation policy of the devices (storage, generator, EV, etc.)

# Grid users' microgrid sizing I

Solve a linear program over a sufficiently long time horizon  $\mathcal{T}$

$$\min \quad TLCC( \text{USER\_CAPEX}, \text{USER\_OPEX} ) \quad (2a)$$

$$\text{s.t.} \quad \text{nodal user's power balance} \quad \forall t \in \mathcal{T} \quad (2b)$$

$$\text{bound device power by its capacity} \quad \forall t \in \mathcal{T} \quad (2c)$$

$$\text{state update rules} \quad \forall t \in \mathcal{T} \quad (2d)$$

$$\text{device capability diagrams} \quad \forall t \in \mathcal{T} \quad (2e)$$

Kept linear for computational reasons (anticipating on the sequel).

## Grid users' microgrid sizing II

Continuous variables: PV (inverter and panels) capacity, storage (inverter and energy) capacity, grid connection capacity ( $s_i^{grid}$ ), device active and reactive powers.

Objective of user  $i$ :

$$\min \underbrace{c_i^{PV} + c_i^{st} + c_i^{grid}}_{USER\_CAPEX} + \alpha \underbrace{\sum_{t \in \mathcal{T}} \Delta t \left( p_{i,t}^{imp} (\pi^{El} + \Pi^{El}) + p_{i,t}^{exp} (-\pi^{EE} + \Pi^{EE}) \right)}_{USER\_OPEX}$$

Greek letters are parameters.



# Coupling the problems

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# Connections between the two problems

DNDP and microgrid seem to be decoupled problems.

However, they are tightly linked, for instance:

- ▶ The ability for a user  $i$  to withdraw from / inject into the grid ( $s_i$  [kVA]) is a function
  - ▶ of the network "strength"
  - ▶ of other users  $s_j, \forall j \neq i$
- ▶ The DSO's investment must be funded by the grid tariffs  $\times$  grid users' power and energy usage (over an investment period)

# The bilevel model I

min TLCC(GRID\_CAPEX, losses) (upper-Level)

s.t. : DSO Constraints

DSO budget balance constraint

Grid users' optimality (lower level) :

$(p^{imp}, p^{exp}, q^{imp}, q^{exp}, s^{grid})$

$$\in \operatorname{argmin} \left\{ \sum_i TLCC_i( \text{USER\_CAPEX}, \text{USER\_OPEX} ) \mid \text{s.t.: grid users' constraints} \right\}$$

# The bilevel model II

Budget balance constraint

$$\underbrace{(1 + \tau)^\Gamma (C^{sub} + C^{cond}) + \Gamma \alpha \sum_{t \in \mathcal{T}} C_t^{loss}}_{\text{DSO costs + margin}} \leq \underbrace{\Gamma \sum_{i \in \mathcal{B}_u} \left( C_i^{grid} + \alpha \sum_{t \in \mathcal{T}} C_{i,t}^{grid} \right)}_{\text{Users' grid costs}}$$

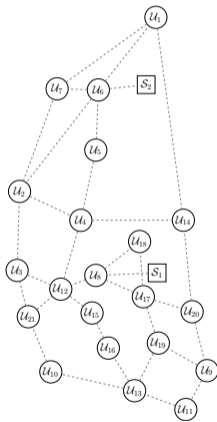
where  $\tau$  is an "interest rate for the DSO" and with

$$C_{i,t}^{grid} = \Delta t \left( p_{i,t}^{imp} \Pi^{EI} + p_{i,t}^{exp} \Pi^{EE} \right)$$

# Results and future work

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# We consider a 23-nodes medium voltage network



MPV: Maximum PV capacity per bus (MVA), STO: add storage capability, EIP: energy import price (k€/MWh), EV: add electric vehicles' consumption, HP: add heat pumps' consumption. False (F), true (T).

Case	MPV	STO	EIP	EV	HP
BASE 0	0	F	0.3	F	F
1	<b>0.4</b>	F	0.3	F	F
2	<b>0.4</b>	T	0.3	F	F
3	<b>0.4</b>	T	<b>0.6</b>	F	F
4	0	F	0.3	T	T
5	<b>0.4</b>	F	0.3	T	T
6	<b>0.4</b>	T	0.3	T	T
7	<b>0.4</b>	T	<b>0.6</b>	T	T

# Results

**Table 1:** Results obtained with the bilevel model

DNO: DNO's total annual amortized cost (M€/y), Users: Users' total annual amortized cost(M€/y), UPVC: Users' PV annual amortized cost of investments (M€/y), UStoC: Users' storage annual amortized cost of investments (M€/y), UGCC: Users' annual grid connection cost (M€/y), USS: Users' average self-sufficiency (%), USC: Users' average self-consumption (%).

Case	DNO M€/y	Users M€/y	UPVC M€/y	UStoC M€/y	UGCC M€/y	USS %	USC %
BASE 0	1.05	7.28	0.00	0.00	2.35	0	-
1	1.09	5.82	0.24	0.00	1.95	25	32
2	0.90	5.07	0.25	0.96	1.20	46	60
3	0.89	7.70	0.25	1.03	1.18	47	61
4	2.40	23.30	0.00	0.00	7.38	0	-
5	2.40	21.70	0.25	0.00	6.97	9	37
6	1.64	20.20	0.32	2.15	5.24	22	93
7	1.62	32.70	0.32	2.26	5.20	23	95

# CO<sub>2</sub> analysis

**Table 2:** CO<sub>2</sub> data

Transformer	600	ton/MVA
Aluminum	16	ton/ton Al
Al density	2.7	ton/m <sup>3</sup>
PV	1700	ton/MWp
Storage	200	ton/MWh
Energy from grid	0.128	ton/MWh

**Table 3:** CO<sub>2</sub> results

Substations	62.7	T/year
Lines	0.3	T/year
Losses	1.7	T/year
PV	571.0	T/year
Storage	16.7	T/year
Net grid consumption	555.0	T/year
PV	47	kg/MWh
Grid	128	kg/MWh



# Conclusion and future work I

I think this is a rich framework but much still has to be done.

- ▶ Dynamic / capacity tariffs → change input scenarios
- ▶ Limited budget for grid users → add a (linear) budget constraint
- ▶ Bounded rationality → a subset of users will act optimally, a subset will act close to optimal, others will not do anything
- ▶ Active network management (e.g. curtailment, impact of using reactive power of inverters, fixed  $\cos \phi$ ,  $P(u)$  curve,  $Q(u)$  curve) → relax bounds on variables, additional constraints
- ▶ Dynamic network reconfiguration → split topology variable per time step

## Conclusion and future work II

- ▶ Compare myopic to perfect foresight policy e.g. model more realistic storage operation (force charge and discharge based on current state while staying in SoC range)
- ▶ Use flexibility of batteries and EVs (V2G) → Consider EVs as storage systems with extra availability constraints

# Acknowledgments

Active contributors on this work

- ▶ Manon Cornet
- ▶ Geoffrey Bailly
- ▶ Mevludin Glavic

Thanks to ORES and RESA (Belgian DSOs) for discussions and input.

## Link to the working paper

*Bailly, G. , Cornet, M. , Glavic, M., & Cornélusse, B. (2024). A Bilevel Programming Approach for Distribution Network Development Planning. ORBi-University of Liège.*  
<https://orbi.uliege.be/handle/2268/319836>

