



## Plenary Talk

# Large Scale Integration of Renewable Energy Systems into Electricity Markets

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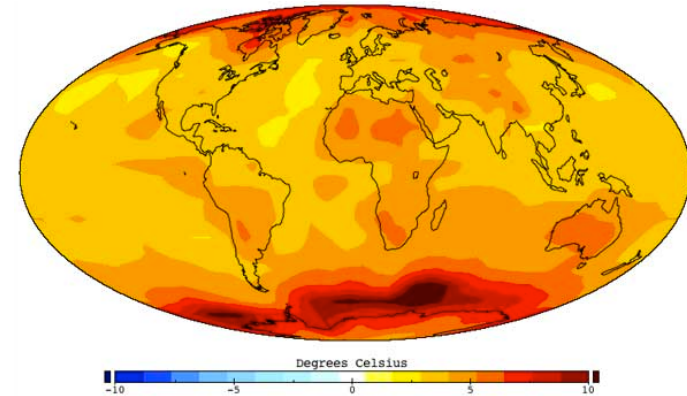


# EU energy strategy

## 2020, 2030, 2050

# Future energy systems

- **Climate change**

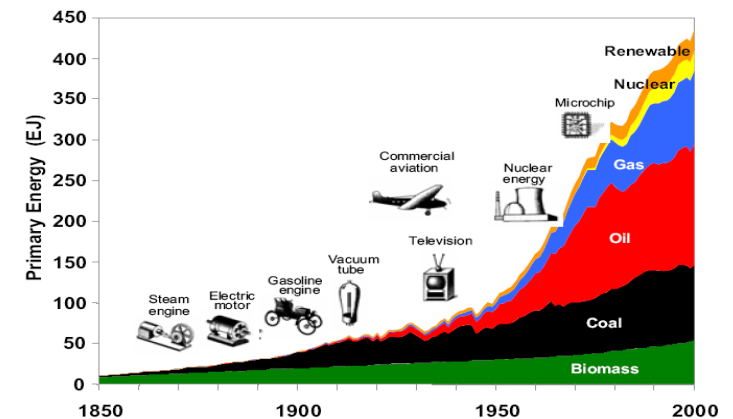


- **Third energy revolution**

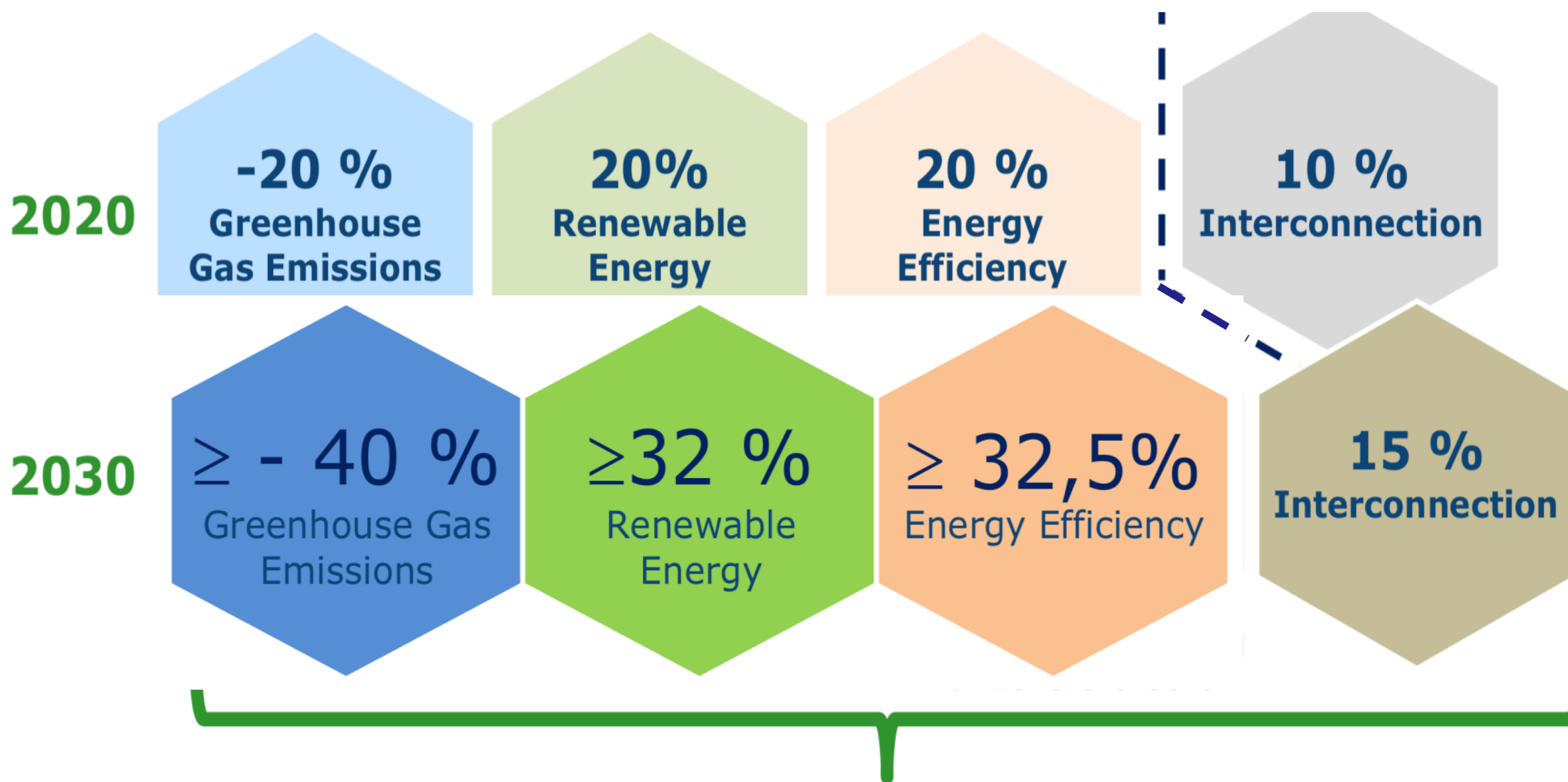
- **Future energy economics**

# EU energy objectives

- **greenhouse gas reduction**
- **sustainable production and consumption**
- **competition in electricity and natural gas markets**
- **security of supply**



# EU medium and long term targets



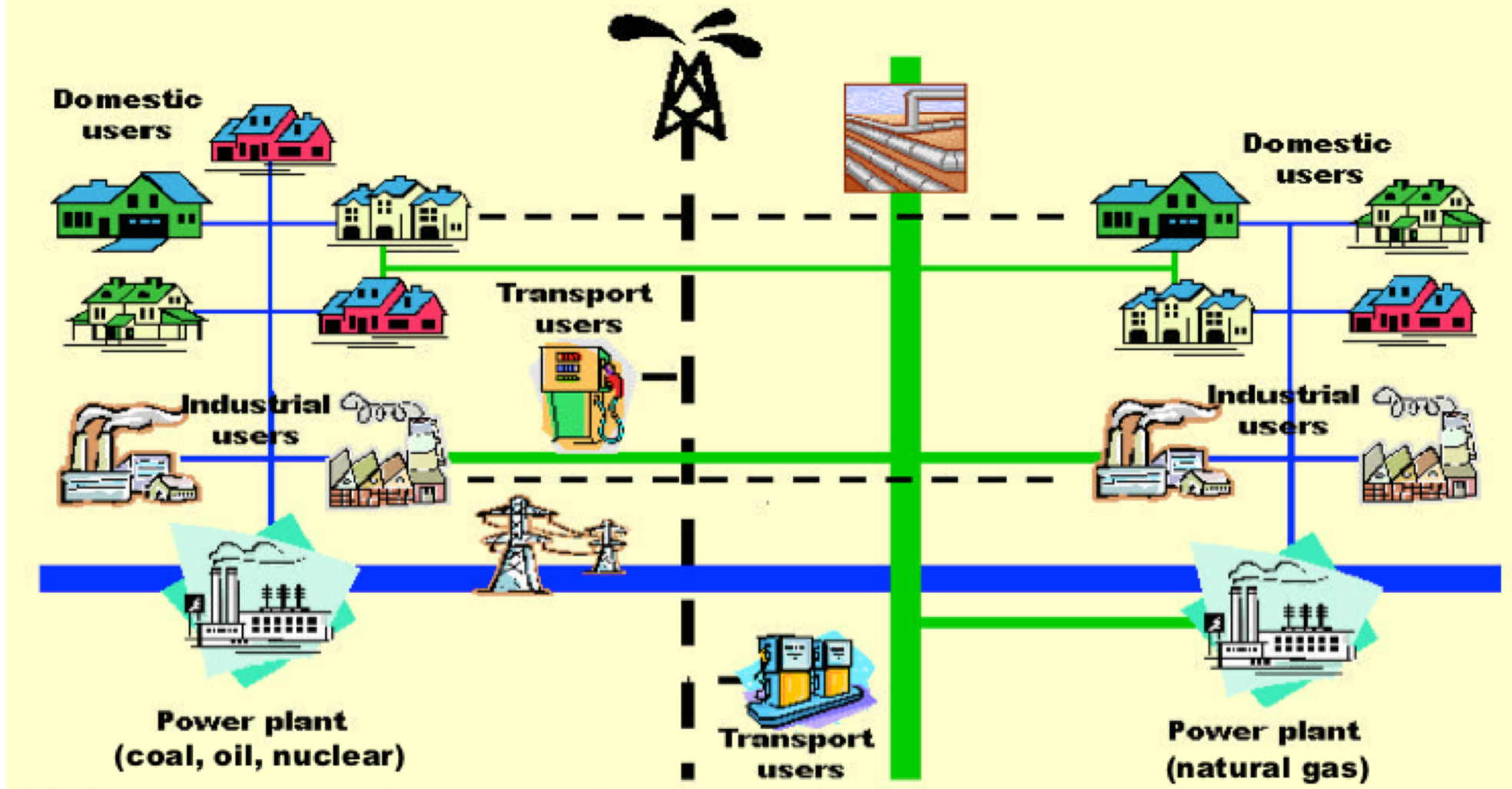
**New governance system + indicators**

**2050 -80% Greenhouse Gas Emissions**



# Current energy system

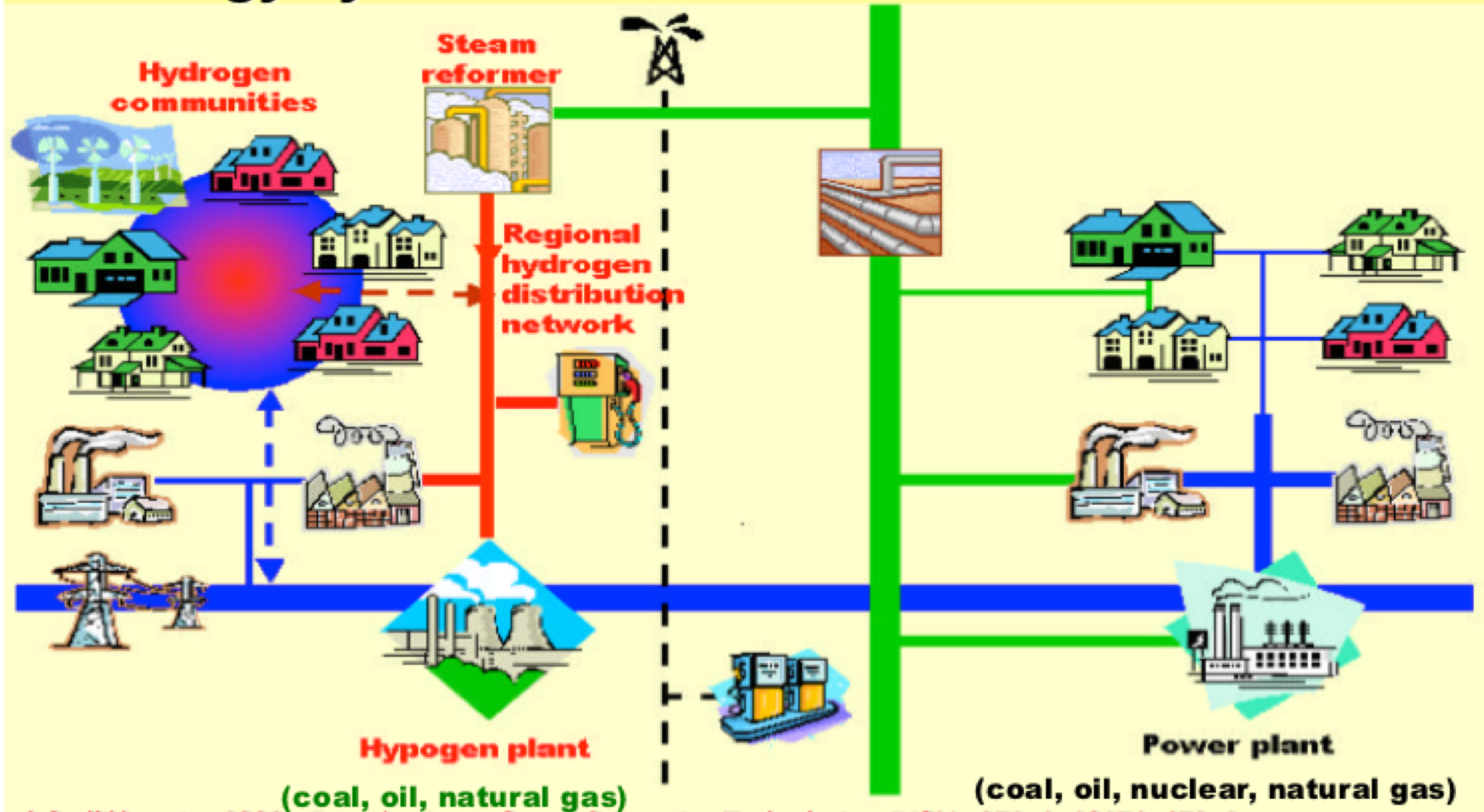
## EU energy system today\*



\* Poullikkas A., 2009, *Introduction to Power Generation Technologies*, ISBN: 978-1-60876-472-3

# Future energy systems (optimistic scenario)

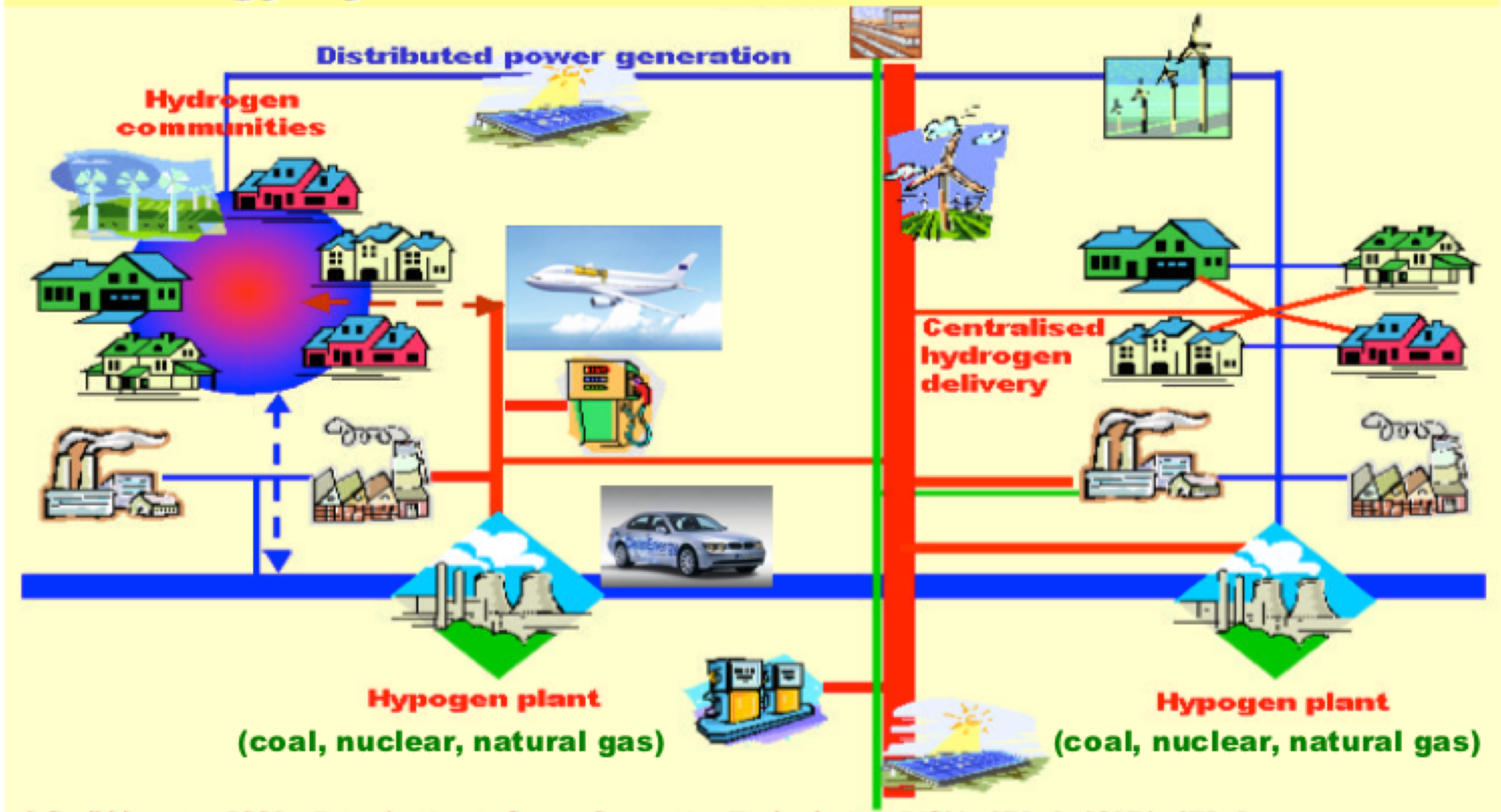
## EU energy system in 2020-30\*



\* Poullikkas A., 2009, *Introduction to Power Generation Technologies*, ISBN: 978-1-60876-472-3

# Future energy systems (optimistic scenario)

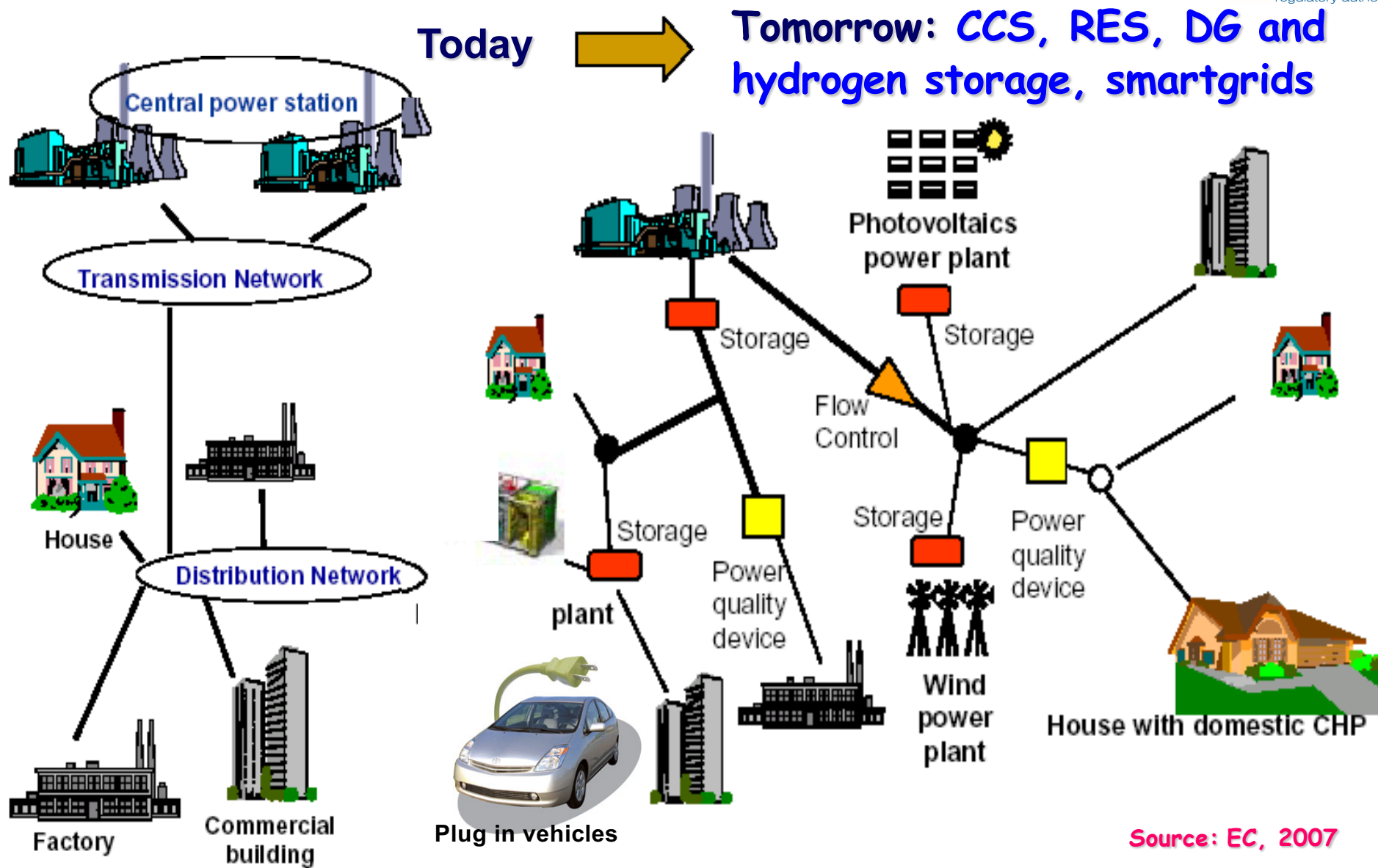
## EU energy system in 2040-50\*



\* Poulikkas A., 2009, *Introduction to Power Generation Technologies*, ISBN: 978-1-60876-472-3



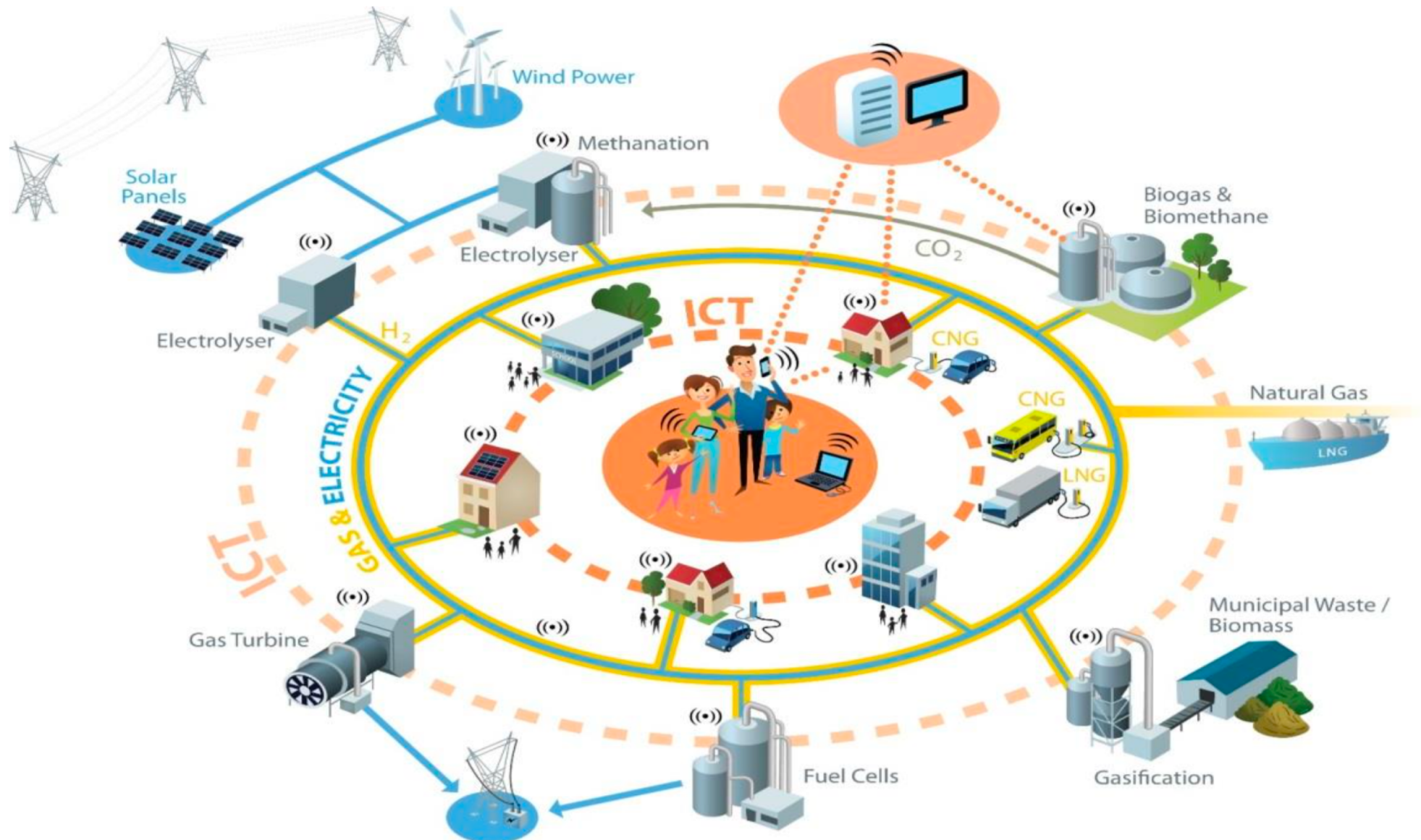
# Future power systems



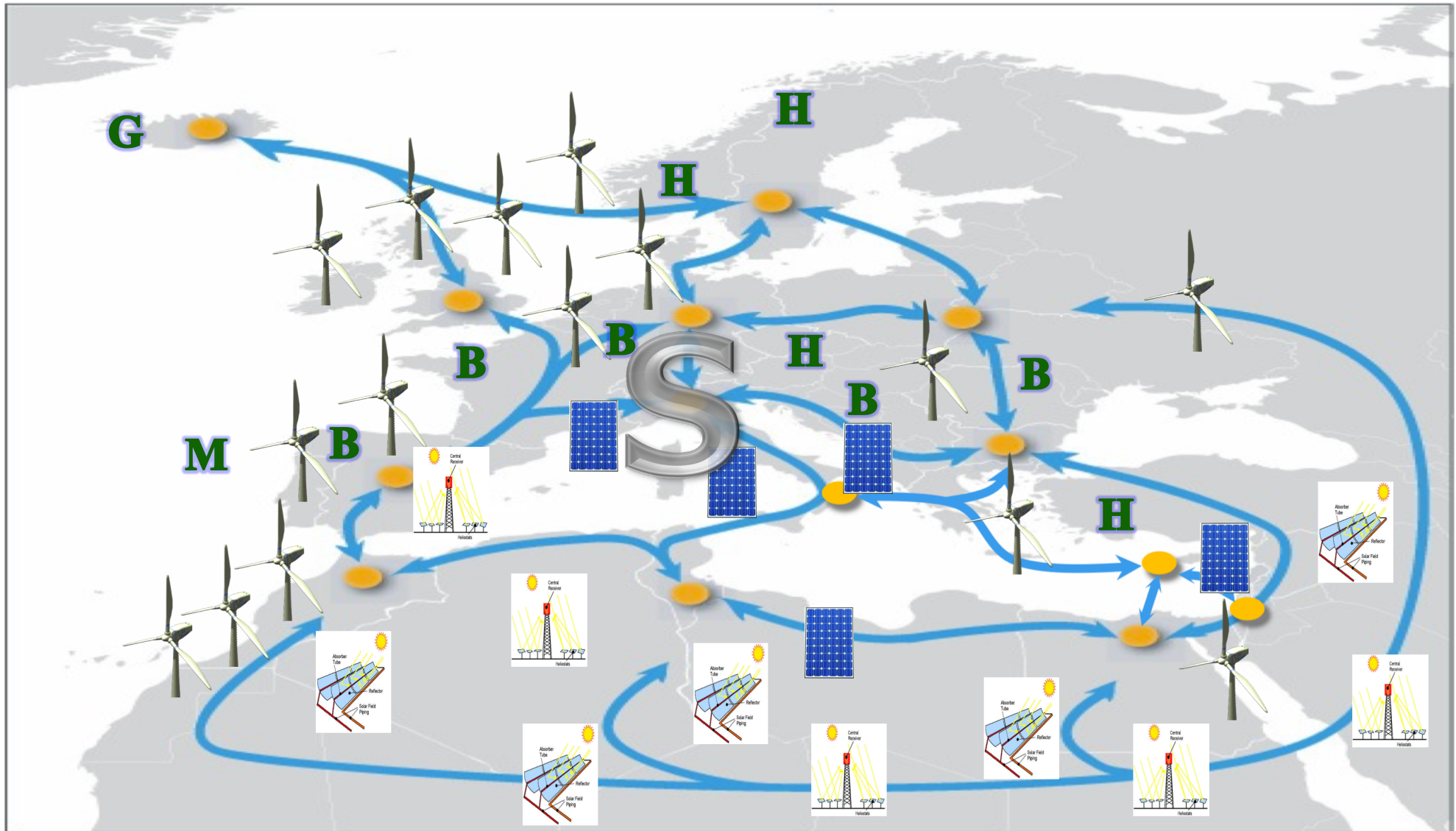
Source: EC, 2007



# End goal – the smart future



# The Super Smart Grid after 2050\* (may allow for 100% RES)

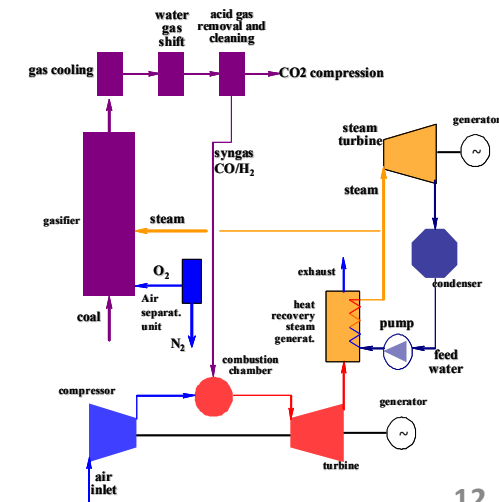


\* Poullikkas A., 2013, *Sustainable Energy Development for Cyprus*, ISBN: 978-9963-7355-3-2

6<sup>th</sup> International Conference on Energy, Sustainability and Climate Change (ESCC2019)  
Chania, Greece, June 3-7, 2019

# Long term EU energy strategy (2050)

- A vision of carbon free EU
- Main ingredients of future sustainable energy systems:
  - Large scale integration of renewable energy sources
  - Distributed generation
  - Carbon capture and storage
  - Smartgrids
  - Electric vehicles
  - Storage devices
  - Hydrogen



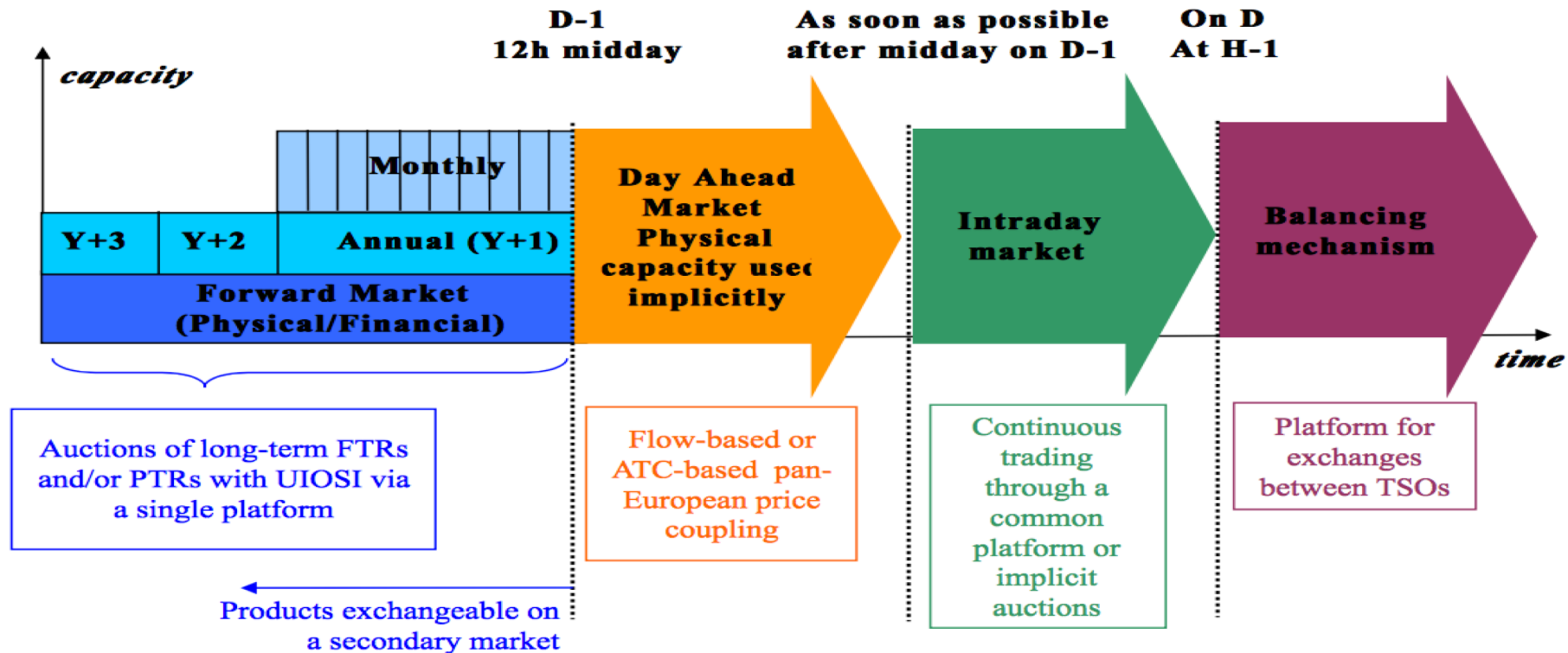
**Need to develop advanced simulation tools, new sustainable technologies and infrastructure !!**

# Challenges in electricity markets

## RES integration



# EU electricity market target model



## Integration of RES: LCOE vs Reliability

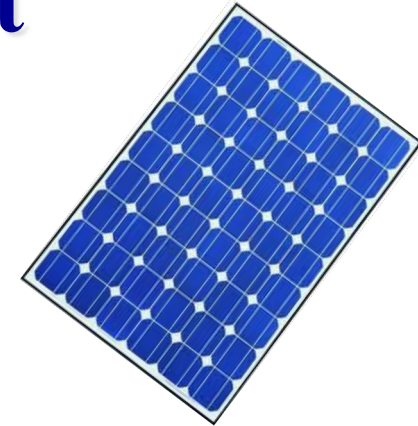
# Power system reliability\*

- **adequacy**, PS ability to satisfy customers needs both in power and electrical energy
- **security**, PS ability to remain in operation after sudden disturbances

\* Poullikkas A., 2016, *Fundamentals of Energy Regulation*, ISBN: 978-9963-7355-8-7

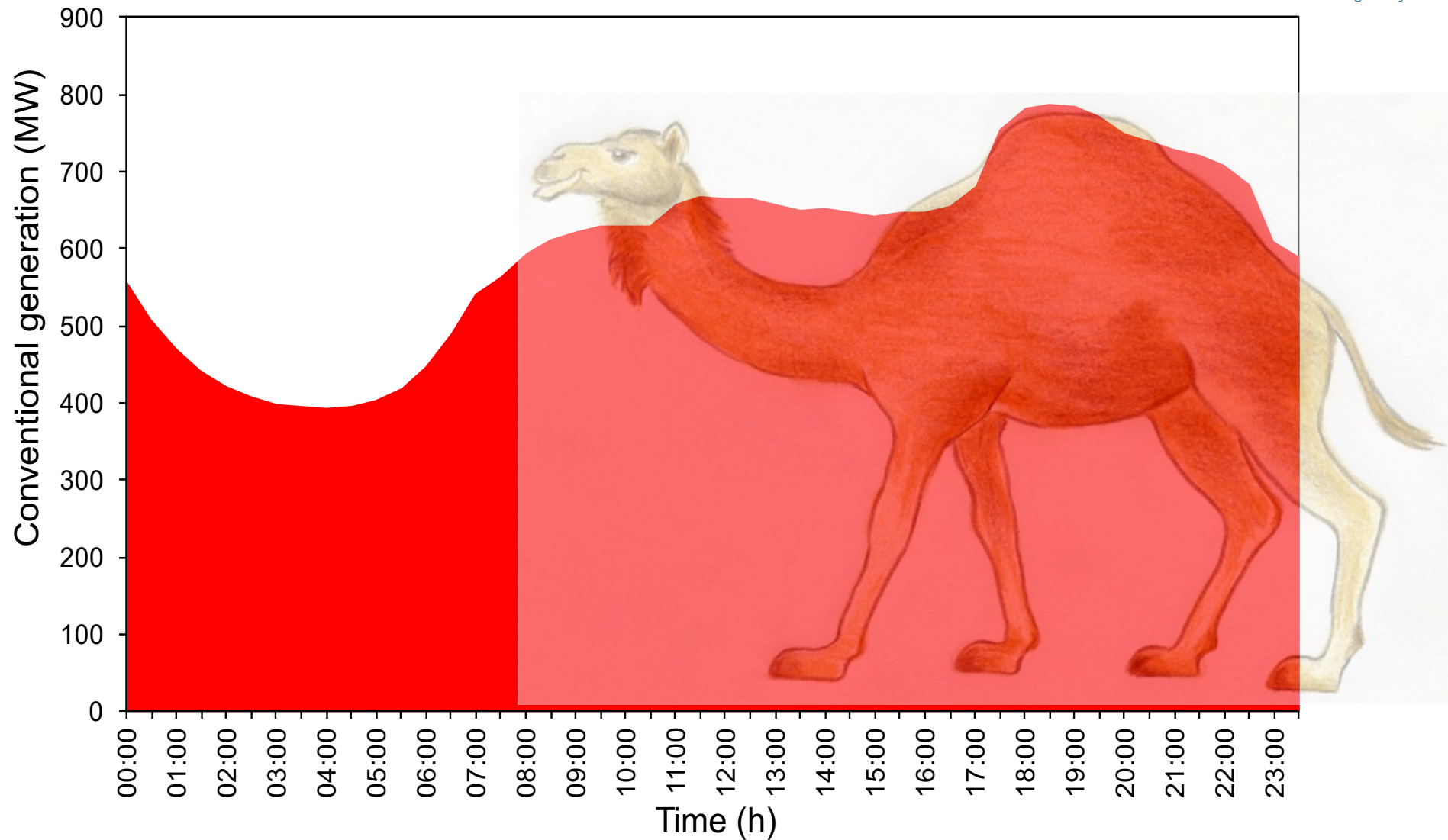
# Intermittent energy source\*

- Any source of energy that is not continuously available
- May be quite predictable
- Cannot be dispatched to meet the demand of a power system
- For dispatching need storage



\* Poullikkas A., 2013, *Renewable Energy: Economics, Emerging Technologies and Global Practices*, ISBN: 978-1-62618-231-8

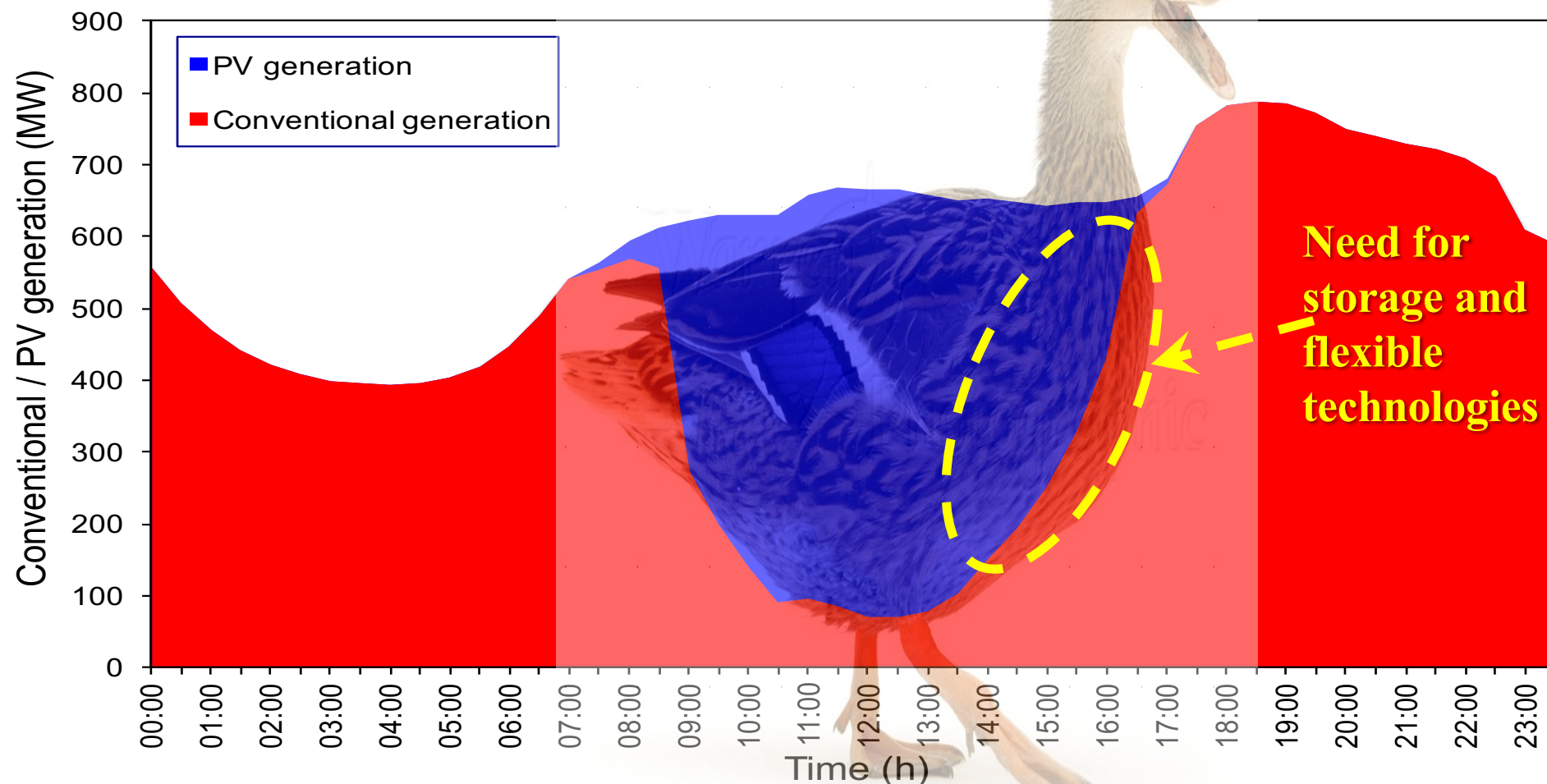
# Daily load curve (the 'camel curve')\*



\* **Poullikkas A., 2016, "From the 'camel curve' to the 'duck curve' on electric systems with increasing solar power", *Accountancy***

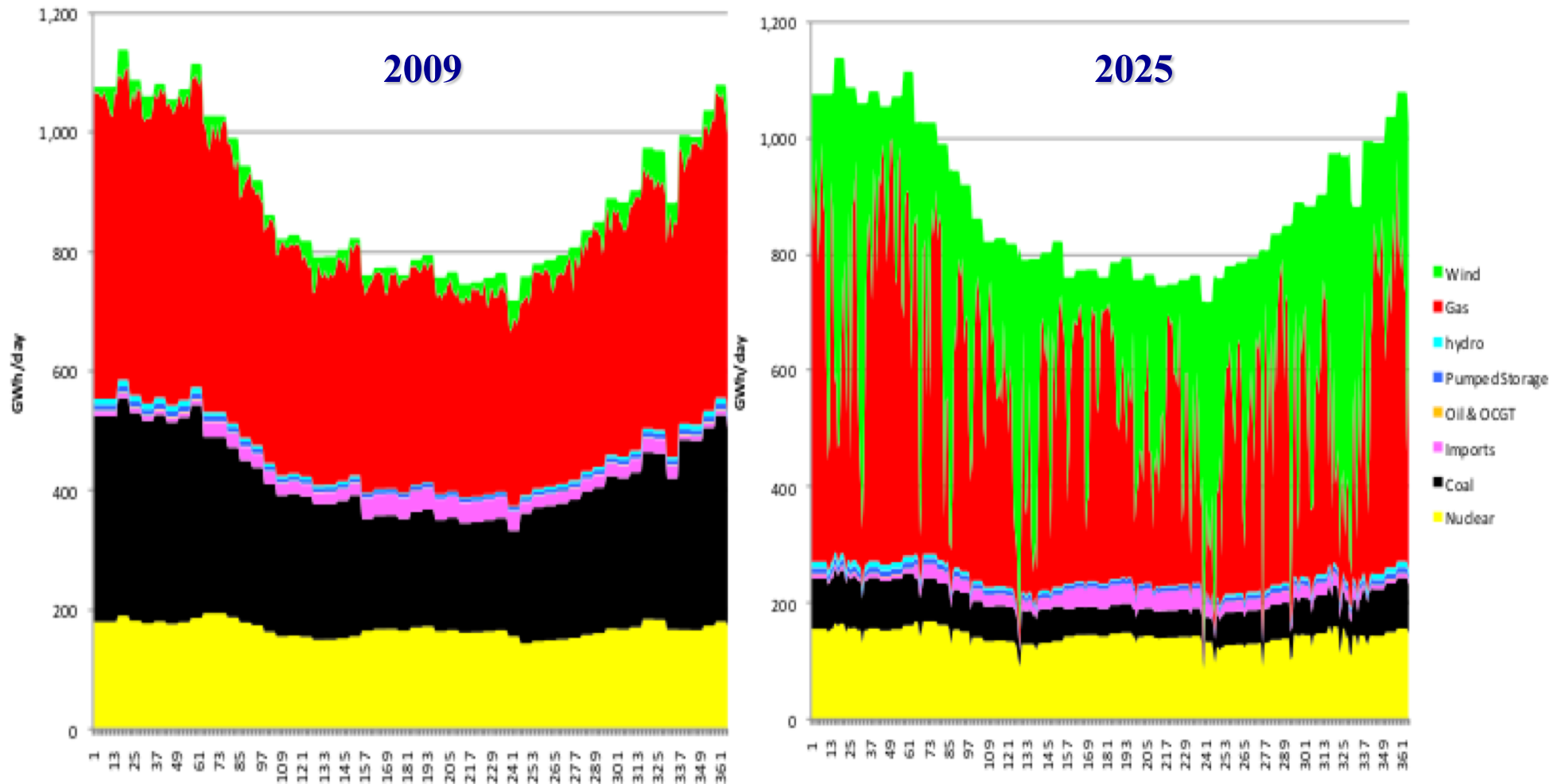


# Effect of PV generation on load curve (the 'duck curve')\*



\* Poullikkas A., 2016, "From the 'camel curve' to the 'duck curve' on electric systems with increasing solar power", *Accountancy*

# Gas is a pillar of renewable energy (power production in UK\*)



\* H.V. Rogers, 2011, *The Impact of Import Dependence and Wind Generation on UK Gas Demand and Security of Supply to 2025*, The Oxford Institute For Energy Studies

# **Modeling for optimum large scale integration of RES**

## **Advanced simulation tools**

# The problem

## The need

- **Large scale integration of RES**
  - **e.g., EU RES targets by 2020, 2030**

## Main objective

- **Assessment of the increase (or benefit) in the cost of electricity of a given power generation system at different RES-E penetration levels**

# Model capabilities

- **Use of unit commitment algorithms**
- **Energy mix and include storage**
- **Cost or benefit in the cost of electricity**
- **Price of FiT, FiP, etc**
- **Green tax (if necessary)**



# Objective function\*

- **Minimizing total cost**

$$\min C = \min \sum_{i=1}^n x_i (c_i)$$

- **satisfy constraints**

$$P_{D(t)} = \sum_i I_{(i,t)} P_{(i,t)}$$

$$P_{g,\min(i)} \leq P_{(i,t)} \leq P_{g,\max(i)}$$

$$R_{O(t)} \leq \sum_i r_{o(i,t)} I_{(i,t)} \quad r_{o(i,t)} = \begin{cases} q_i, & \text{if unit } i \text{ is OFF} \\ r_{s(i,t)}, & \text{if unit } i \text{ is ON} \end{cases}$$

$$R_{S(t)} \leq \sum_i r_{s(i,t)} I_{(i,t)} \quad r_{s(i,t)} = \min[10MSR_i, P_{g,\max(i)} - P_{(i,t)}]$$

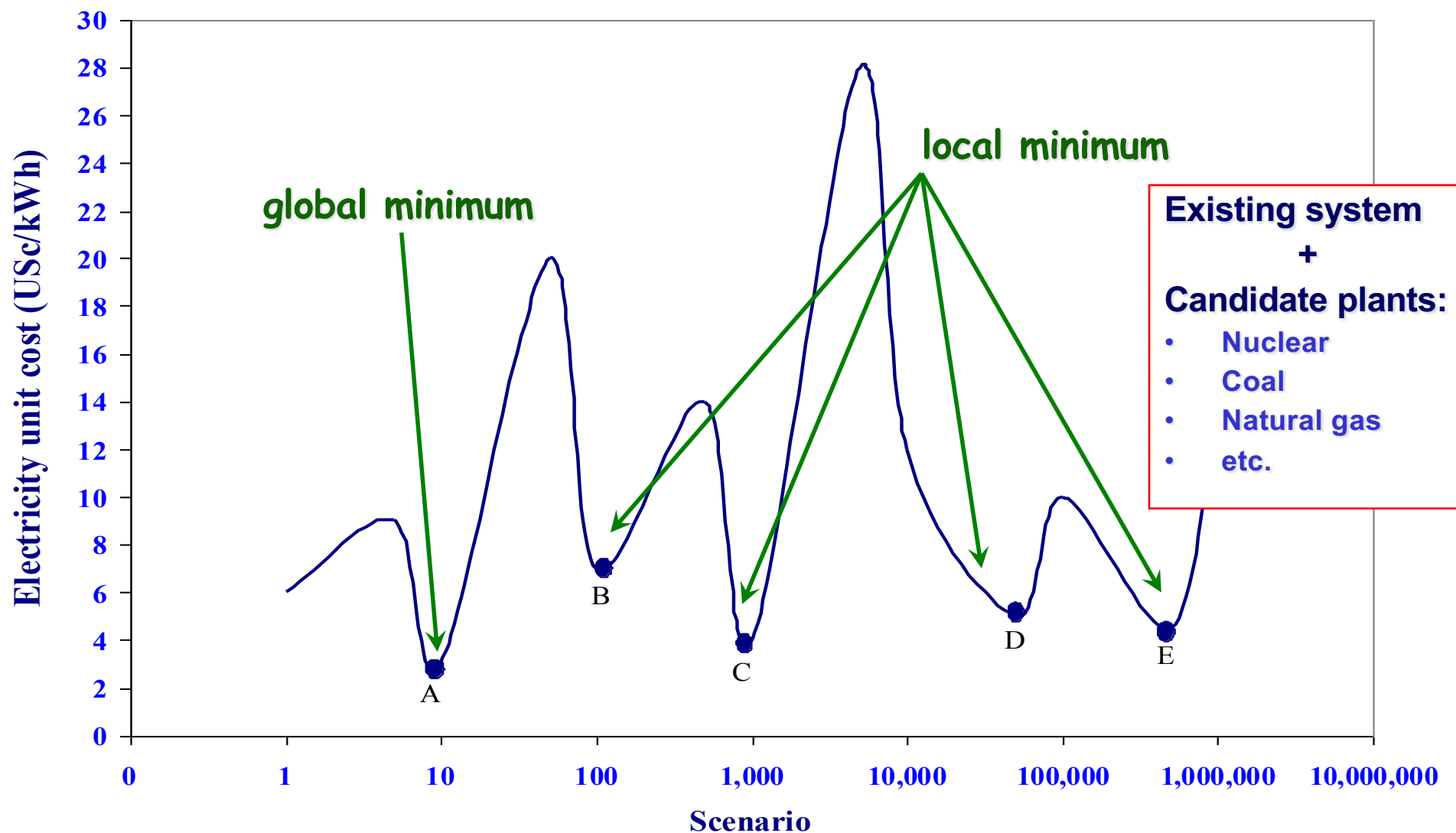
$$\sum_i \sum_t C_{ei} [P_{(i,t)} I_{(i,t)}] + S_{e(i,t)} \leq E_{\max}$$

$$-P_{km}^{\max} \leq P_{km(t)} = f[\mathbf{B}_{(t)}, \varphi_{(t)}] \leq P_{km}^{\max}$$

- **Load demand**
- **Unit capacity**
- **Available capacity**
- **Reserve margin**
- **Spinning reserve**
- **Fuel constraints**
- **Environmental constraints**
- **Power transmission constraints, etc**

\* Poulikkas A., 2009, "A decouple optimization method for power technology selection in competitive markets", *Energy Sources*

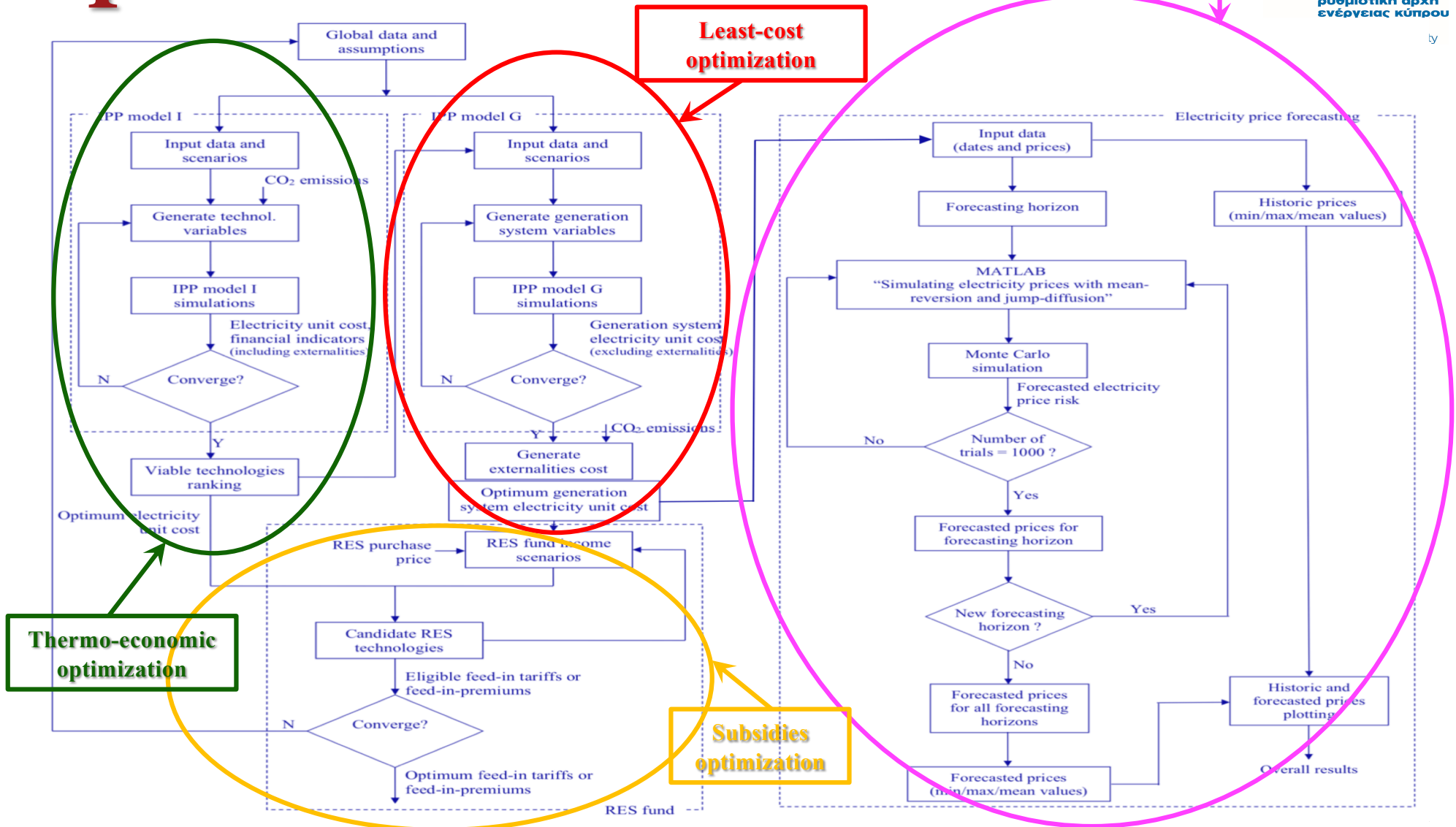
# Typical shape of objective function\*



\* Poullikkas A., 2009, "A decouple optimization method for power technology selection in competitive markets", *Energy Sources*

# Optimization model\*,\*\*

Price forecasting



**Thermo-economic optimization**

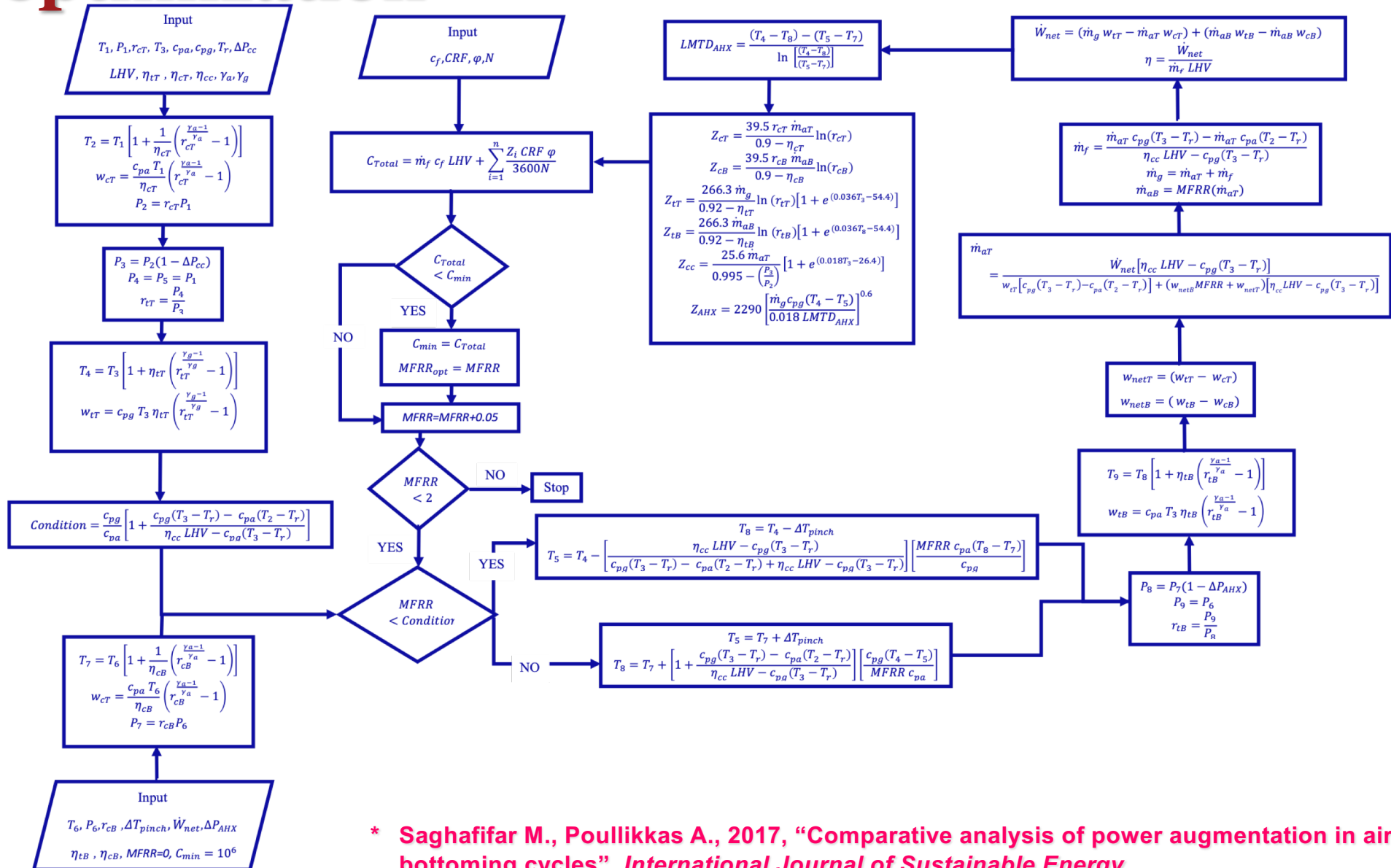
**Least-cost optimization**

**Subsidies optimization**

\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

\*\* Poullikkas A., 2018, "An adaptive longterm electricity price risk modelling using Monte Carlo simulation", *Journal of Power Technologies*

# Example of thermo-economic optimization\*



\* Saghafifar M., Poullikkas A., 2017, "Comparative analysis of power augmentation in air bottoming cycles", *International Journal of Sustainable Energy*.



# Decoupled objective function\*

$$\min\left(\frac{\partial c}{\partial k}\right) = \min \left\{ \begin{array}{l} \sum_{j=0}^N \left[ \frac{\frac{\partial C_{Cj}}{\partial k} + \frac{\partial C_{Fj}}{\partial k} + \frac{\partial C_{OMFj}}{\partial k} + \frac{\partial C_{OMVj}}{\partial k}}{(1+i)^j} \right] \\ \sum_{j=0}^N \left[ \frac{\partial P_j}{\partial k} \right] \end{array} \right\}$$

**Capital (\$)**      **Fuel (\$)**      **Fixed O&M (\$)**      **Variable O&M (\$)**

**Electricity unit cost (\$c/kWh)**

**Energy (kWh)**

\* Poullikkas A., IPP algorithm version 2.1, User manual, © 2000-2006

# **Development of sustainable technologies**

## **Design, development and testing**

# IGCC technology with CCS\*

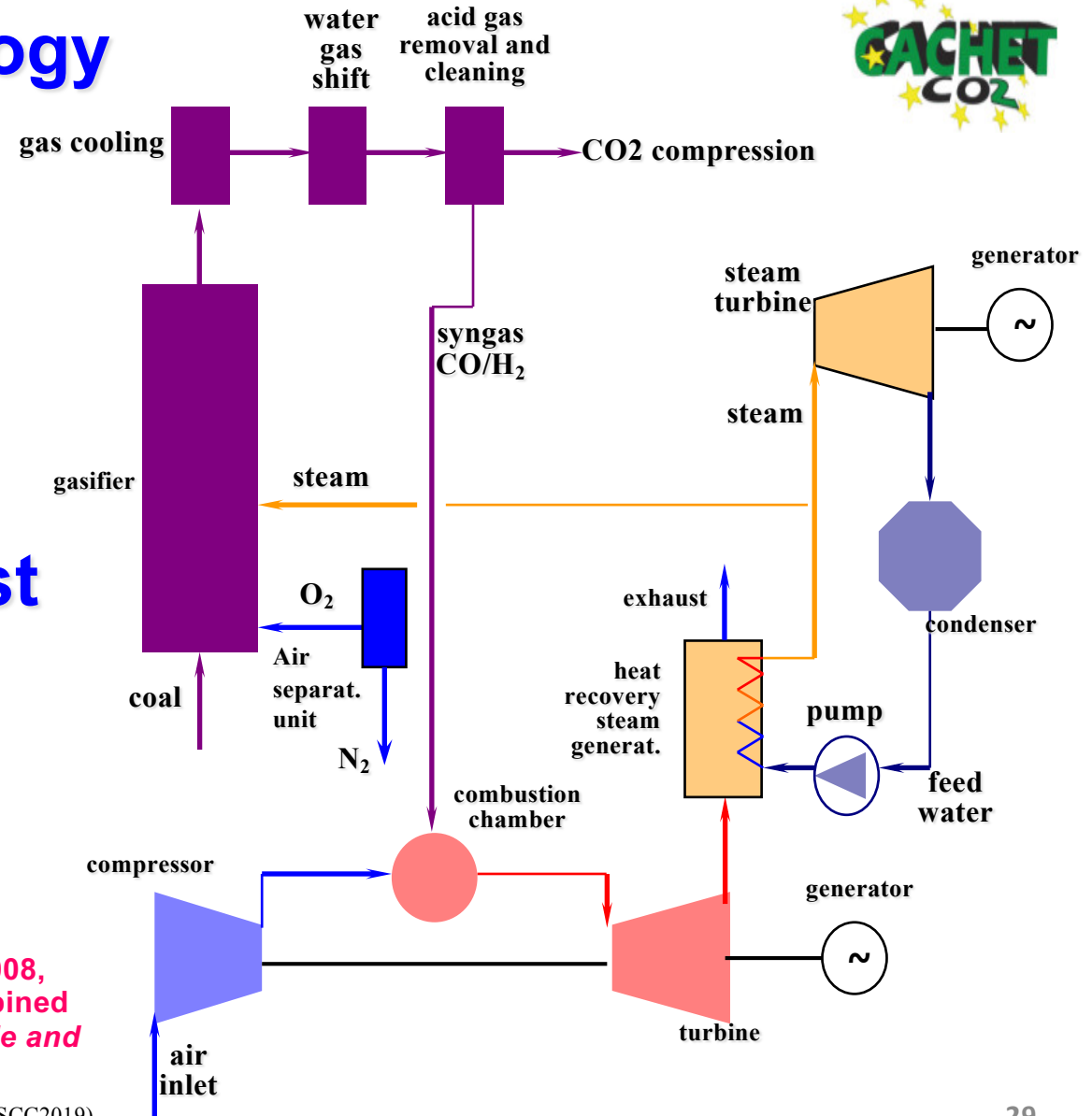
- Emerging technology

- Efficiency

34 %

- Electricity unit cost

7.30 US\$c/kWh



\* Christou C., Hadjipaschalis I., Poullikkas A., 2008, "Assessment of Integrated Gasification Combined Cycle technology competitiveness", *Renewable and Sustainable Energy Reviews*

# Natural gas combined cycle with pre CCS\*

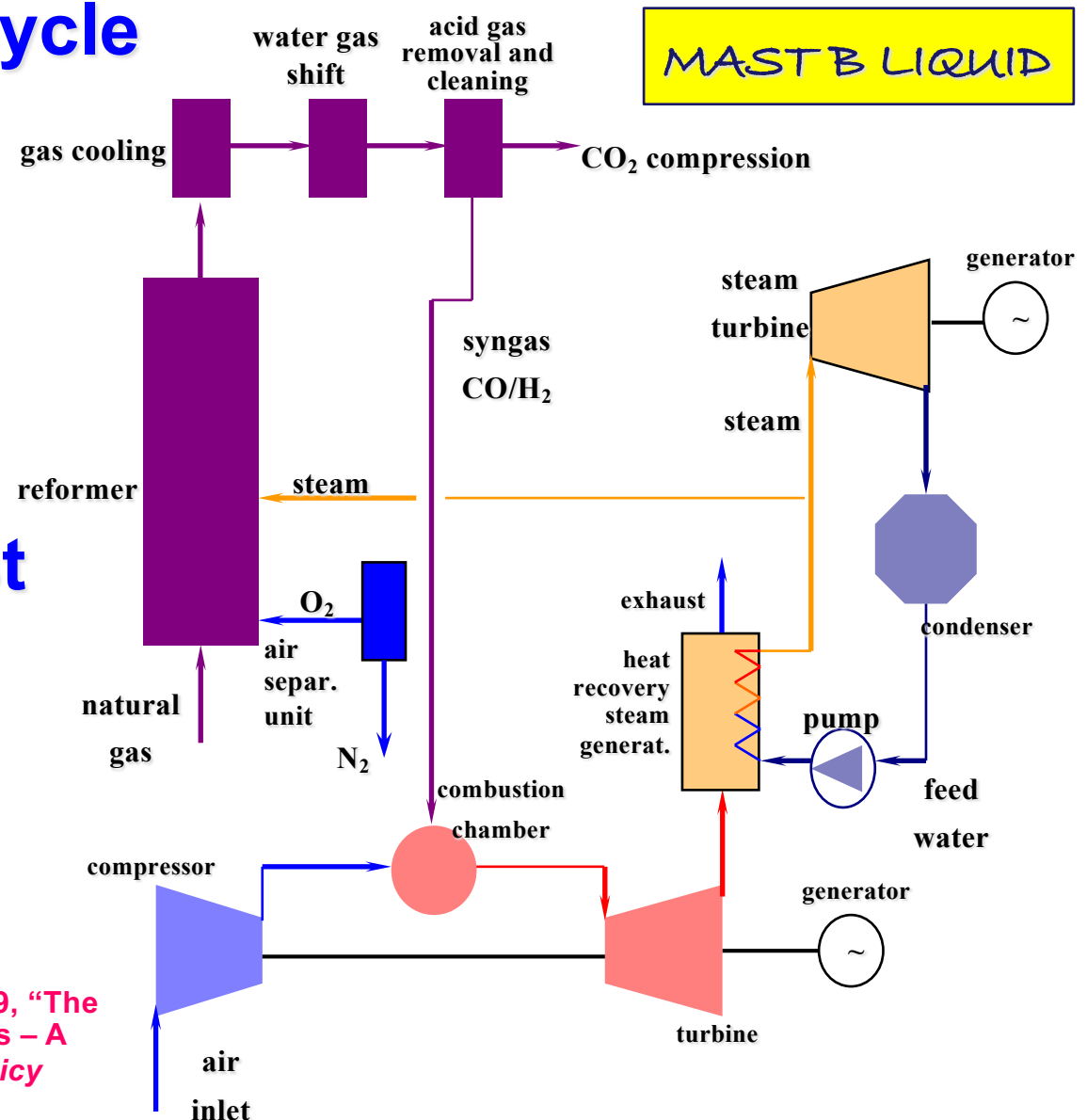
- Brayton-Rankine cycle

- Efficiency

43 %

- Electricity unit cost

10.56 US\$c/kWh



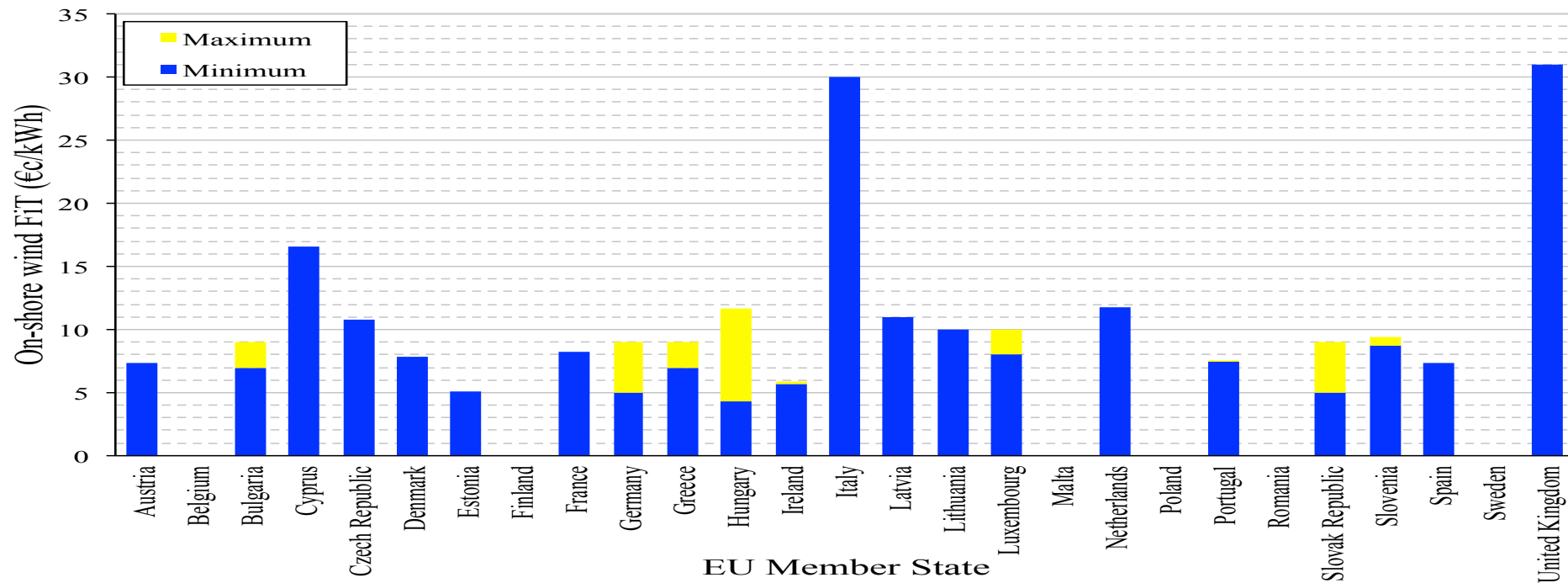
\* Poullikkas A., Hadjipaschalis I., Christou C., 2009, "The cost of integration of zero emission power plants – A case study for the island of Cyprus", *Energy Policy*



# 7.5MW wind turbine\*



- Design
  - Simulation
  - Installation
- 11x7.5MW

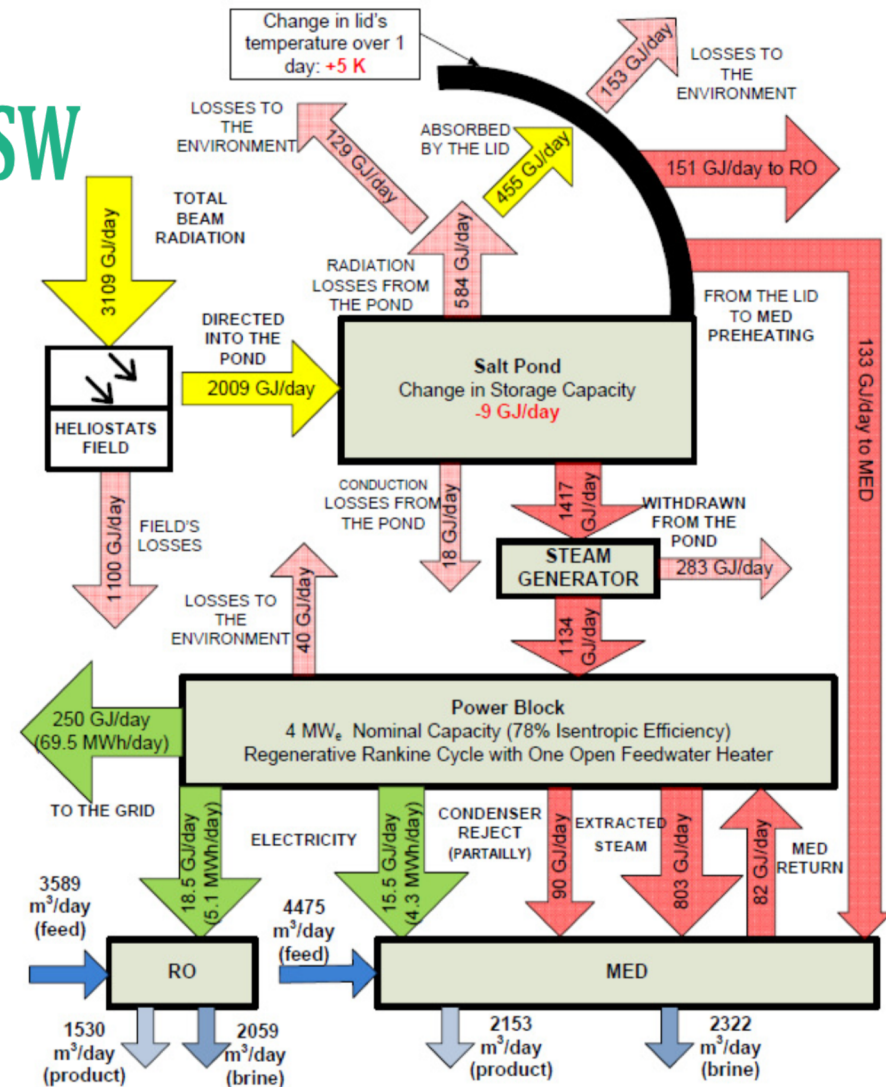
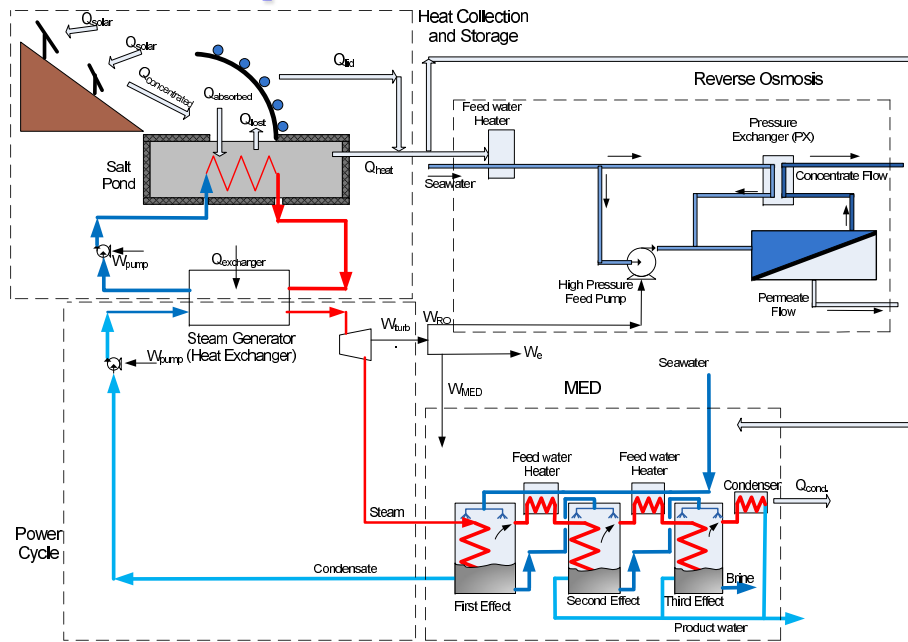


\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2012, "An overview of the EU Member States support schemes for the promotion of renewable energy sources", *International Journal of Energy and Environment*

# Concentrated solar power\*

- Single tank molten salt heat storage
- CSPoD
- Design, simulation
- Pilot plant

CSP-DSW

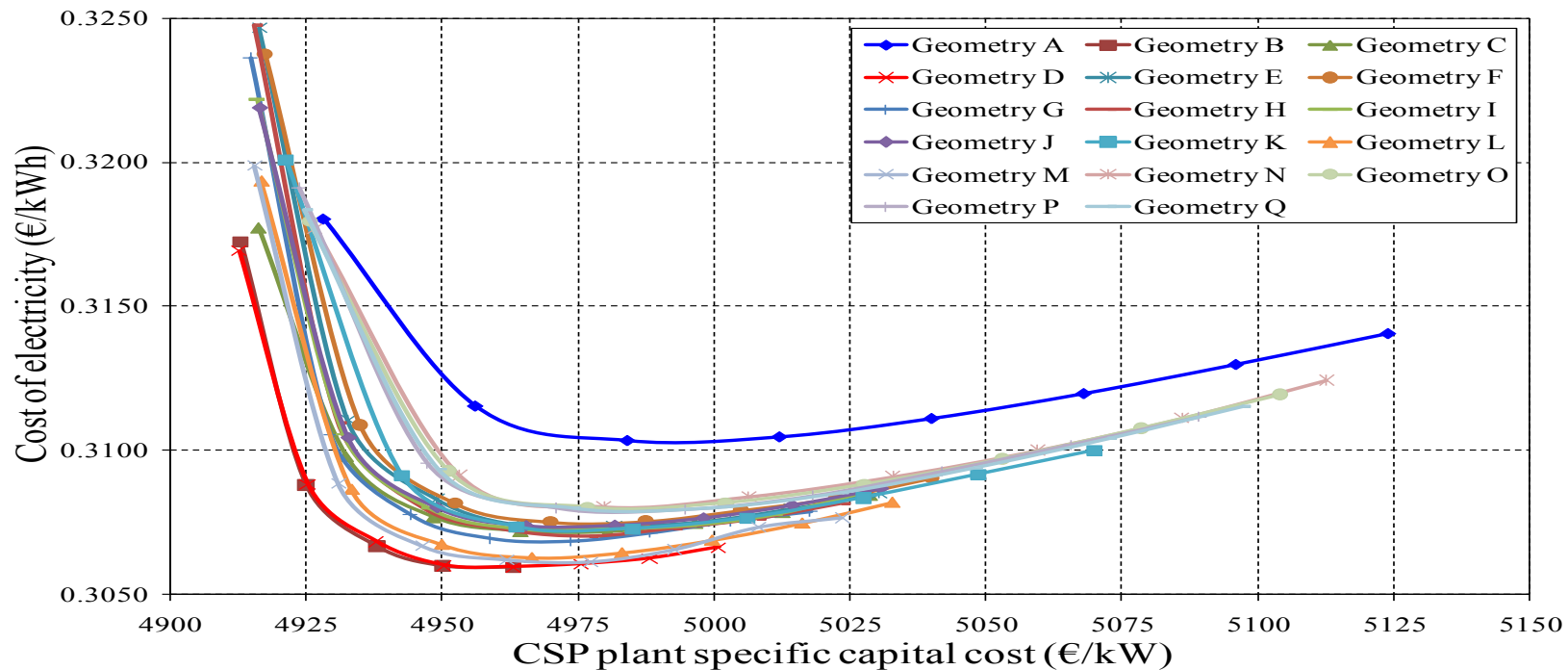
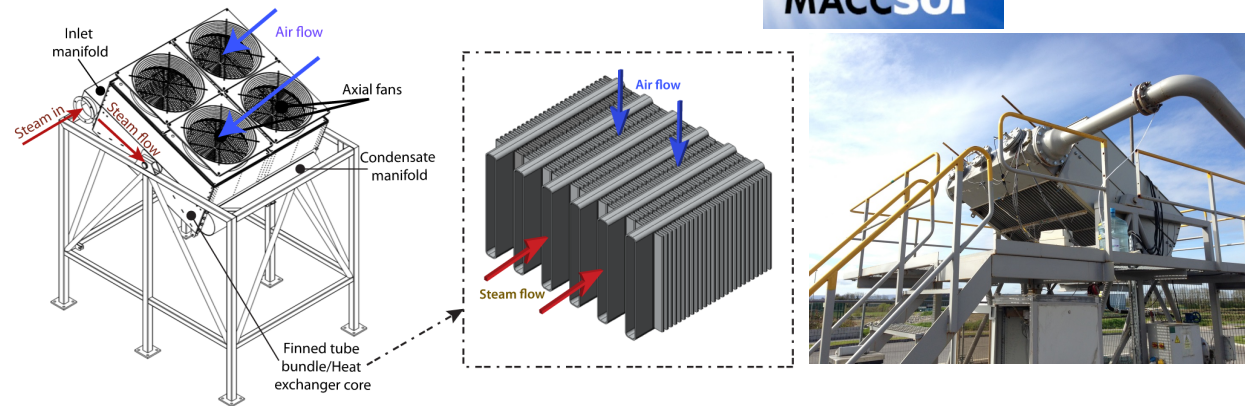


\* Poullikkas A., Rouvas C., Hadjipaschalis I., Kourtis G., 2012, "Optimum sizing of steam turbines for concentrated solar power plants", *International Journal of Energy and Environment*

# Air-cooled condenser for CSP\*



- Design, simulation
- Increase net power output
- Reduce costs
- Pilot plant



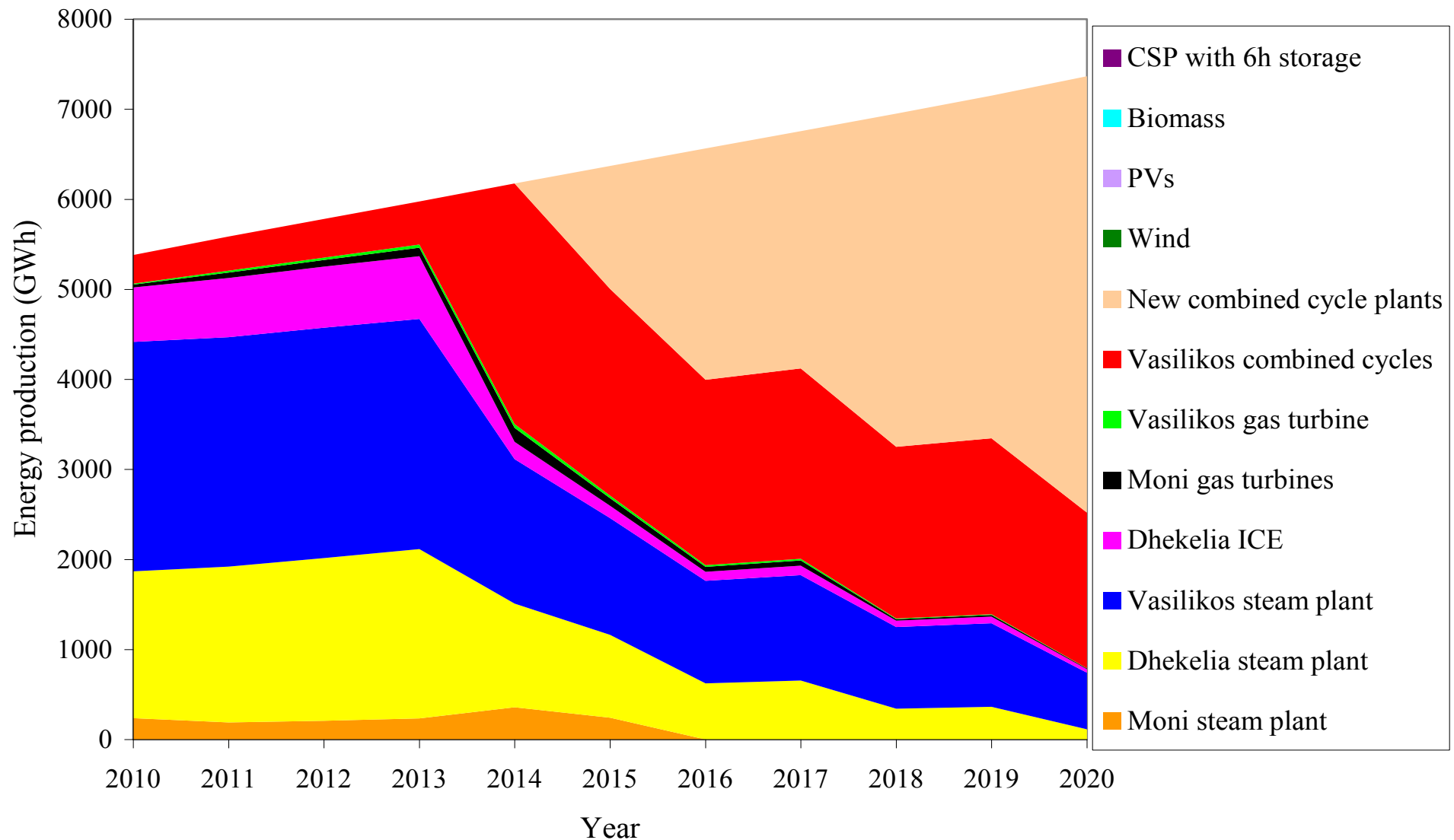
\* Poullikkas A., Grimes R., Walsh E., Hadjipaschalis I., Kourtis G., 2013, "Optimal sizing of modular air-cooled condensers for CSP plants", *Journal of Power Technologies*

# **Development of energy strategies**

## **Sustainable energy future**

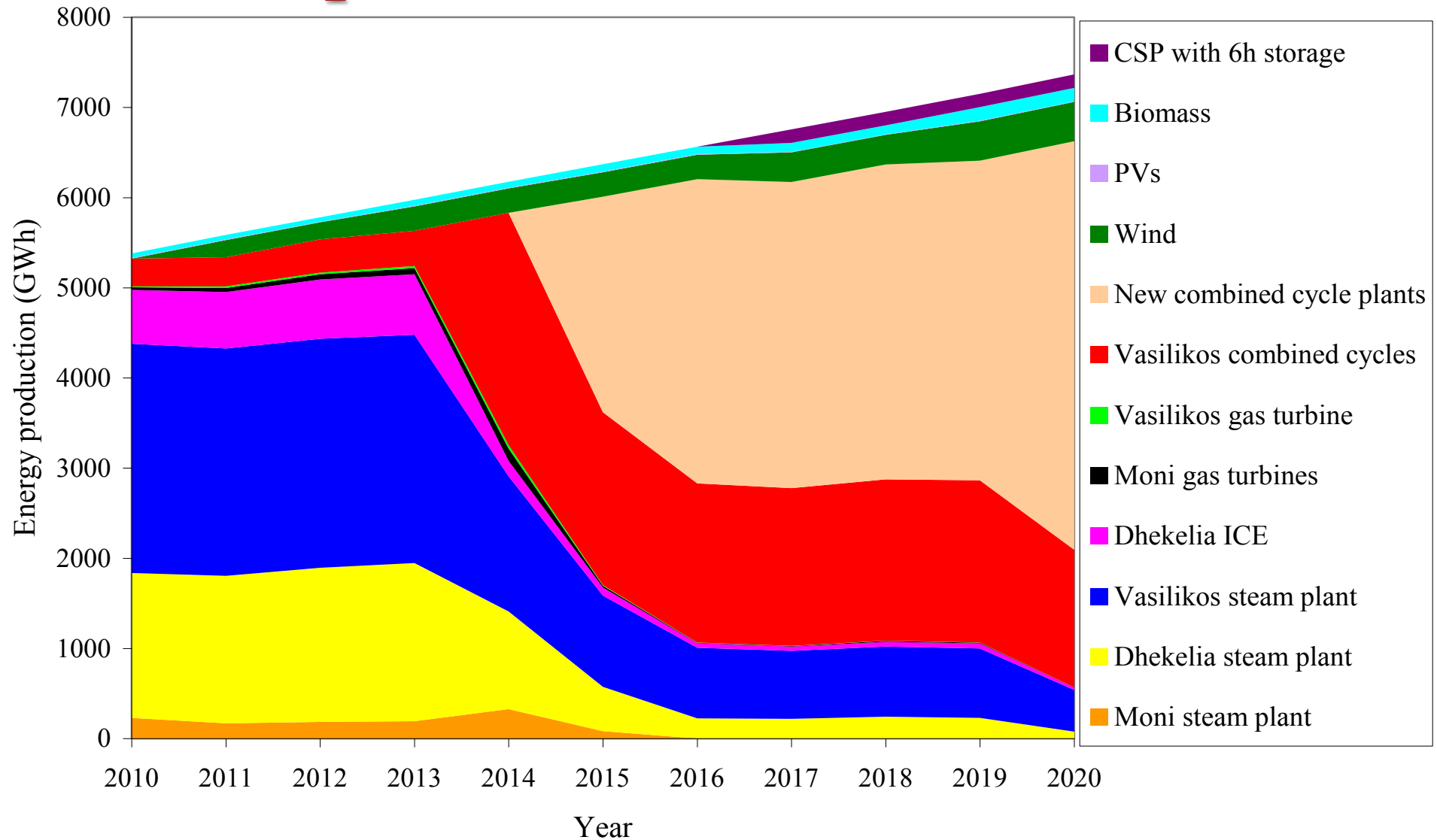


# Power generation system energy mix with BAU\*



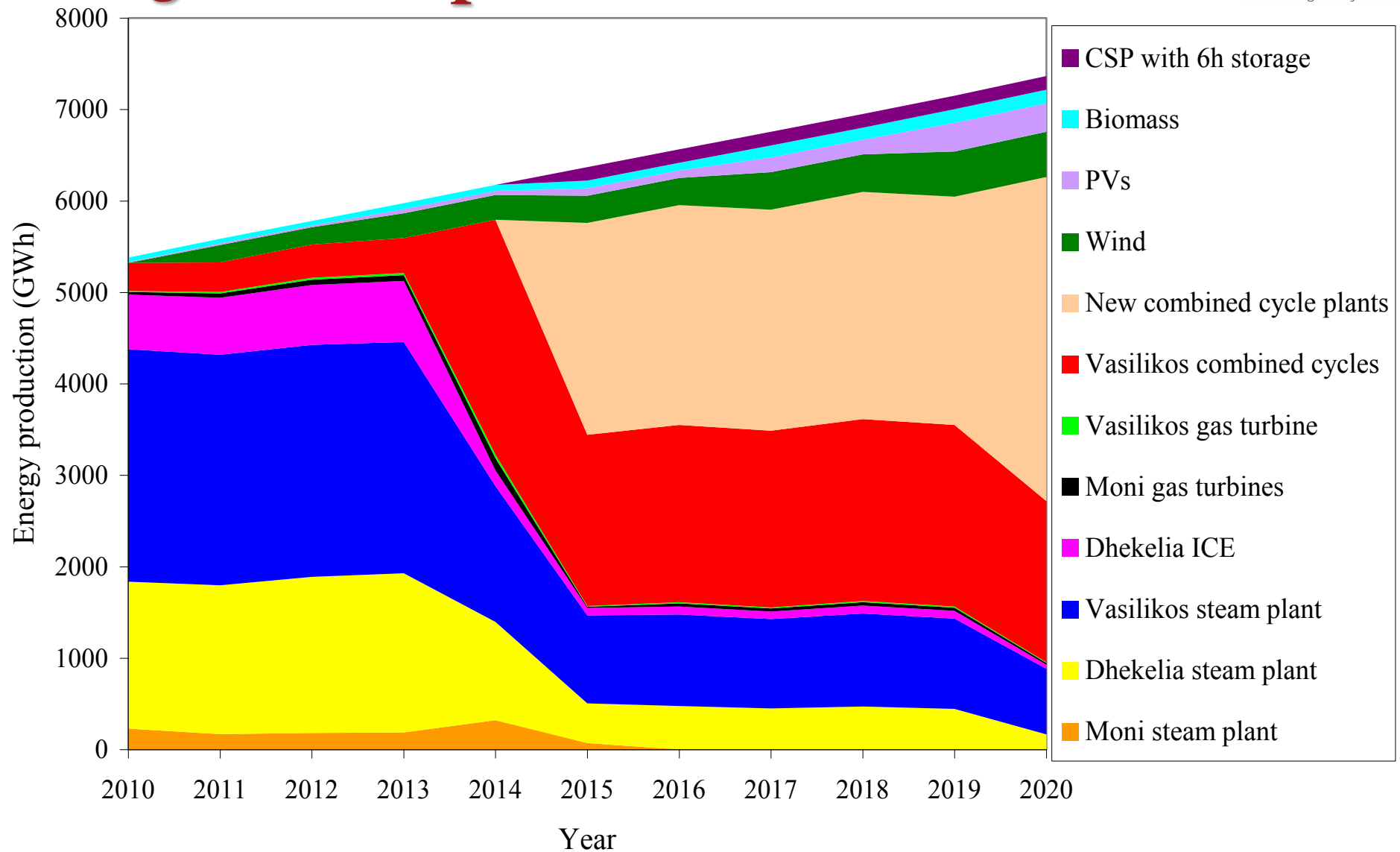
\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

# Power generation system energy mix with 10% RES-E penetration\*



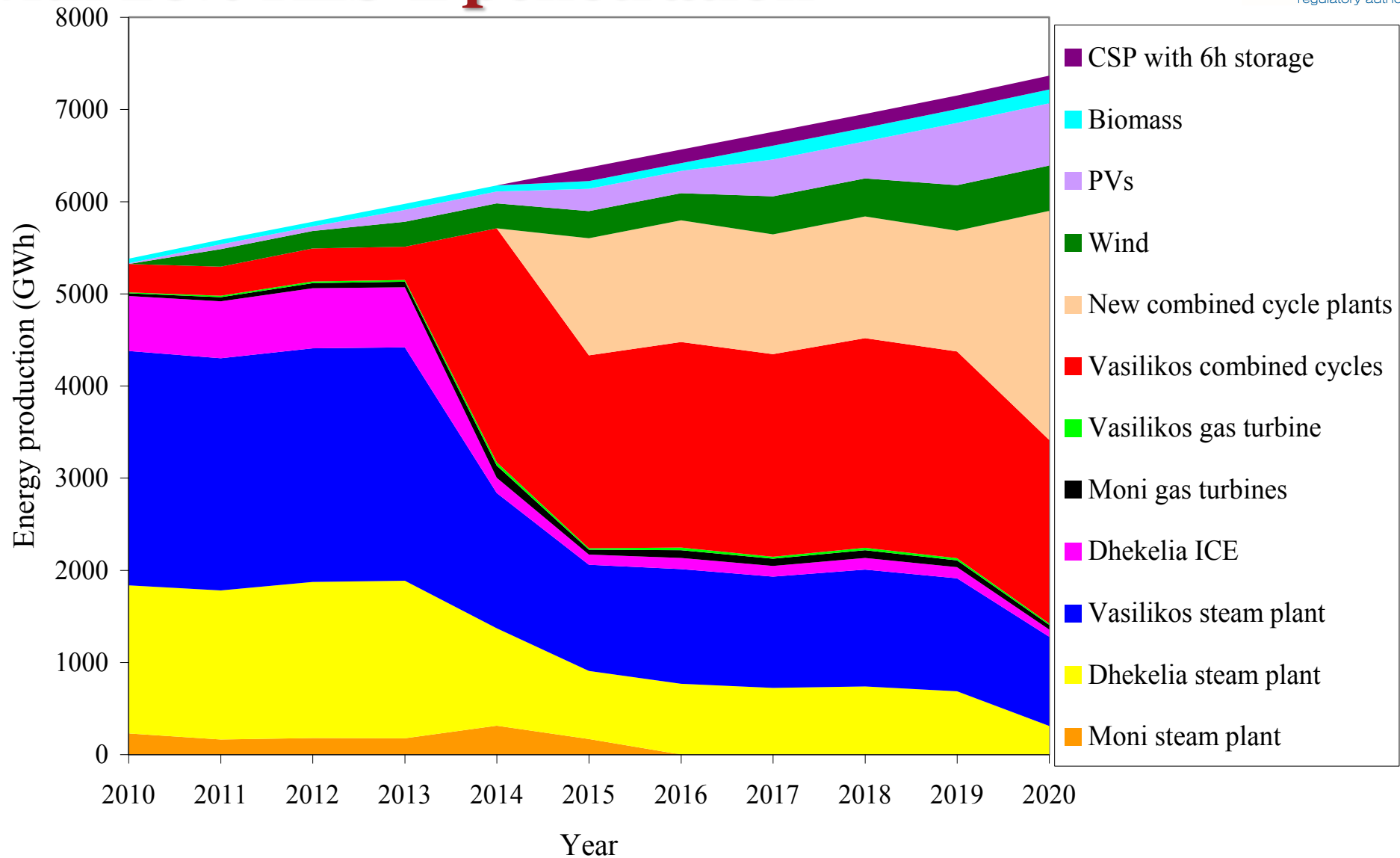
\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

# Power generation system energy mix with 15% RES-E penetration\*



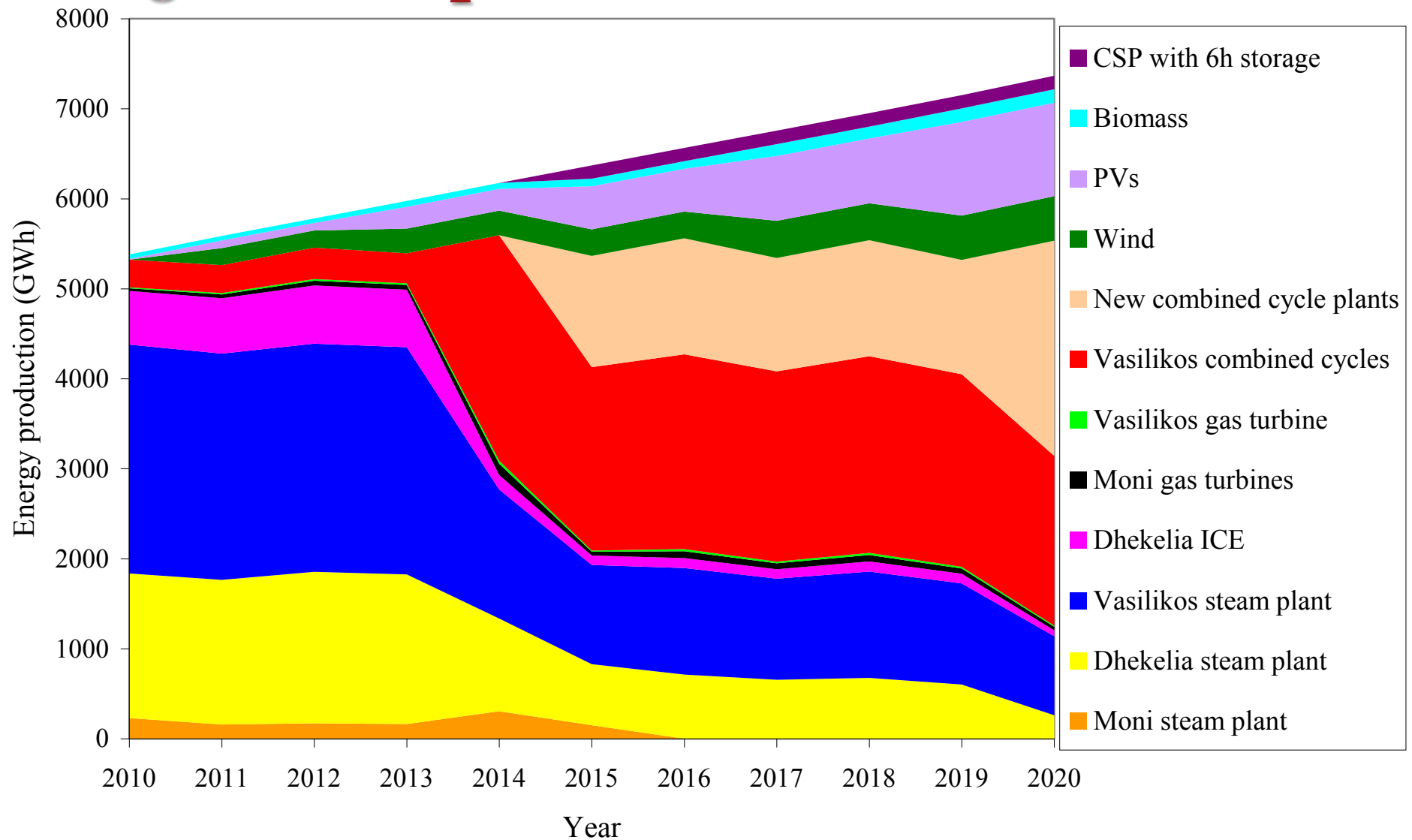
\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

# Power generation system energy mix with 20% RES-E penetration\*



\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

# Power generation system energy mix with 25% RES-E penetration\*

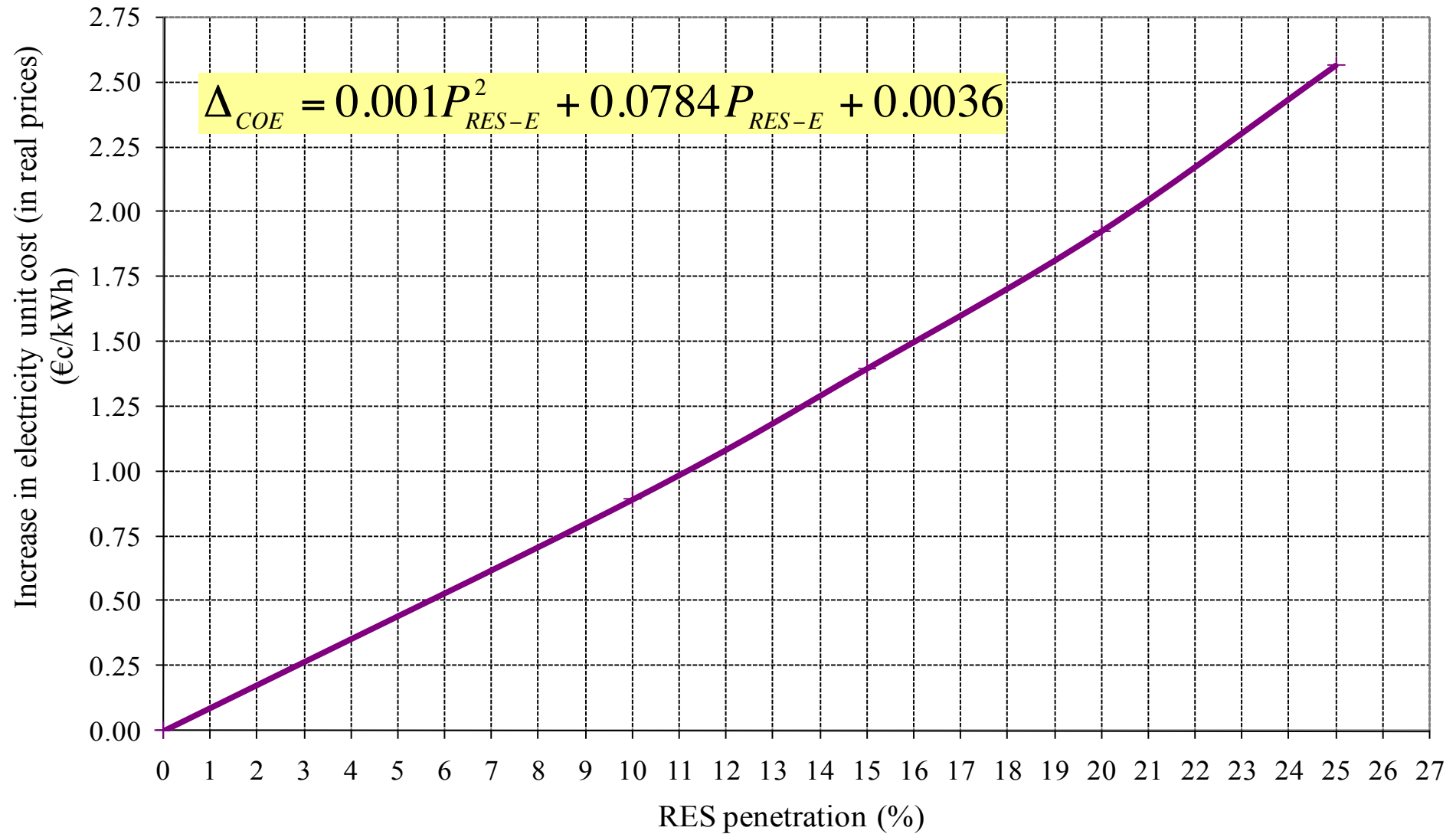


\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*



# RES-E penetration cost at IRR

~ 12% \*

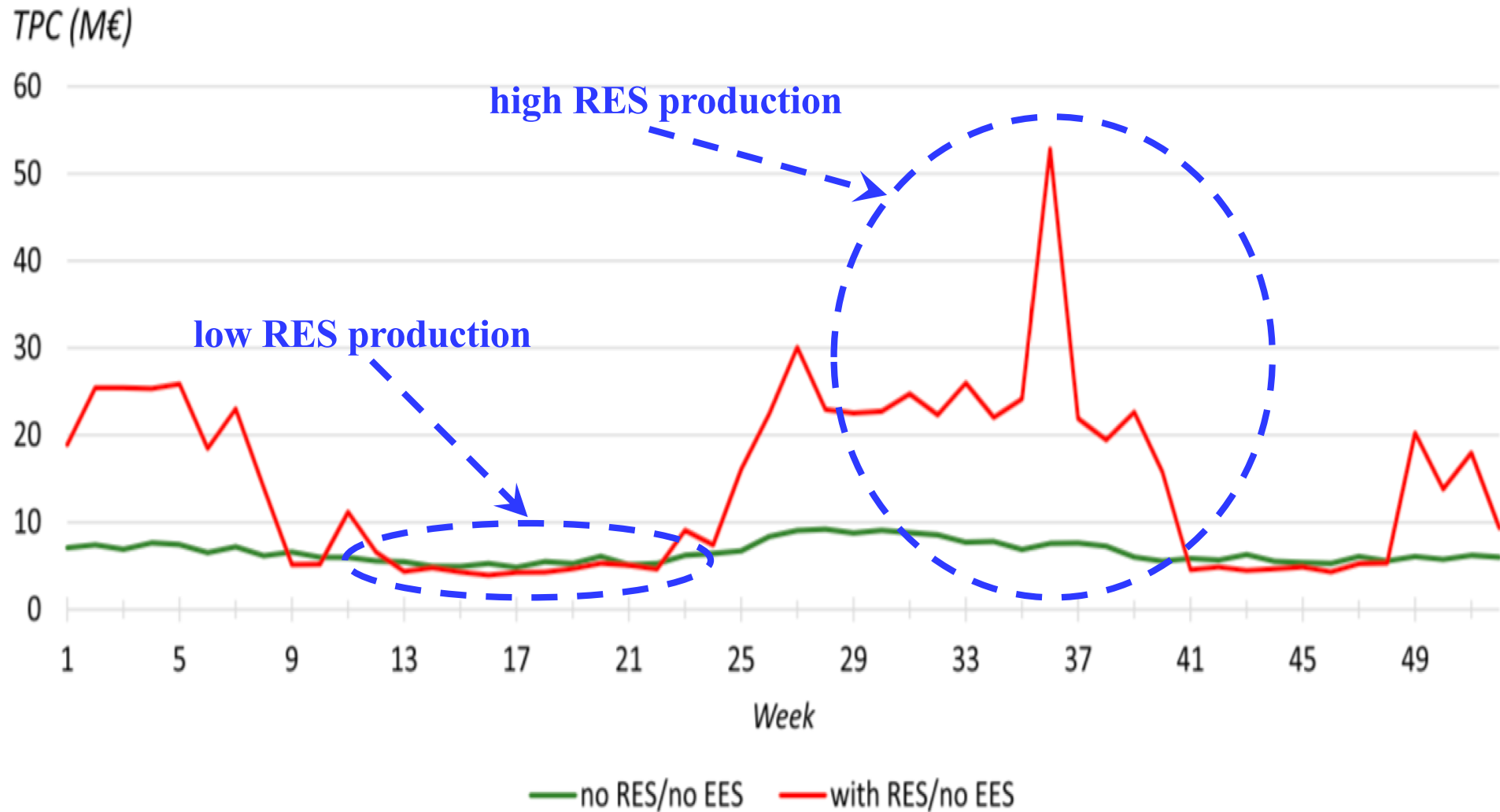


\* Poullikkas A., Kourtis G., Hadjipaschalis I., 2011, "A hybrid model for the optimum integration of renewable technologies in power generation systems", *Energy Policy*

# Integration of storage

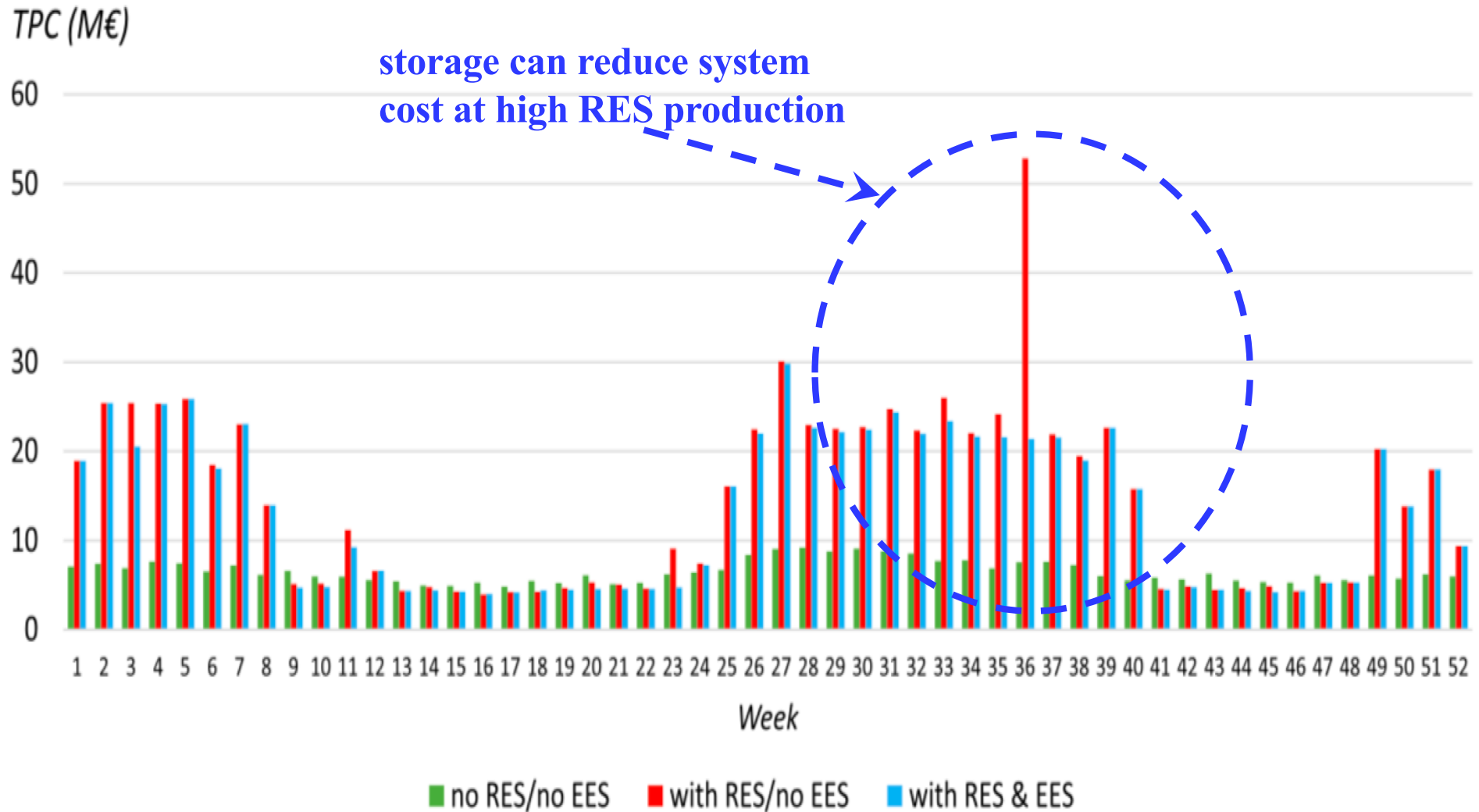
## More renewables

# Cost of reserves with RES production\*



\* Nicolaidis P., Chatzis S., Poullikkas A., 2018, "Renewable energy integration through optimal unit commitment and electricity storage in weak power networks", *International Journal of Sustainable Energy*

# Integration of storage\*



\* Nicolaidis P., Chatzis S., Poullikkas A., 2018, "Renewable energy integration through optimal unit commitment and electricity storage in weak power networks", *International Journal of Sustainable Energy*