

# **Energy Management in Microgrids using Demand Response and Distributed Storage –A Multi-Agent Approach**

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- ❖ Incorporating DR and DS in smart microgrids
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# Smart Distribution System

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- ❖ One of the vital pillars of the smart grid technology
- ❖ Acts as a medium of power and data exchange between customers and utilities.
  - ❖ Market prices, customer willingness to participate in DR, network operator commands etc.
- ❖ May contain large number of DERs integrated through controllable platforms called **microgrids**.



# Smart Microgrid

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- ❖ A microgrid with ability to support energy management and intelligence to behave in consistence with the smart distribution systems
- ❖ Platform to integrate DERs on the community level
- ❖ Allows customer participation in the electricity enterprise
- ❖ An indivisible module that can be integrated into utility smart grids with less or no modifications in installed intelligence



# Multi-Agent Systems

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- ❖ A system with two or more agents or intelligent agents or even combination of both
- ❖ An agent is “a software or hardware entity that is placed in some environment and is able to autonomously react to the changes in that environment
- ❖ Greater **scalability** over quadratic programming and linear programming approaches
- ❖ Best suit for developing real-time decision making systems which are robust, flexible and extensible.
- ❖ IEEE-PES Multi Agent Systems Working Group



# Objective of the work

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- ❖ *To develop an agent based real-time energy trading cum management framework in consistent with utility smart grids*
- ❖ *Allow DGs with smaller capacities connected in microgrids to trade with local customers*
- ❖ *Inherent diversities in load consumption patterns*
- ❖ *Storage Options*
- ❖ *Encourage and fairly treat customers' participation in DR*

# Outline of the work

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Hierarchical agent architectures

- Auction based Trading
- Developing Agents

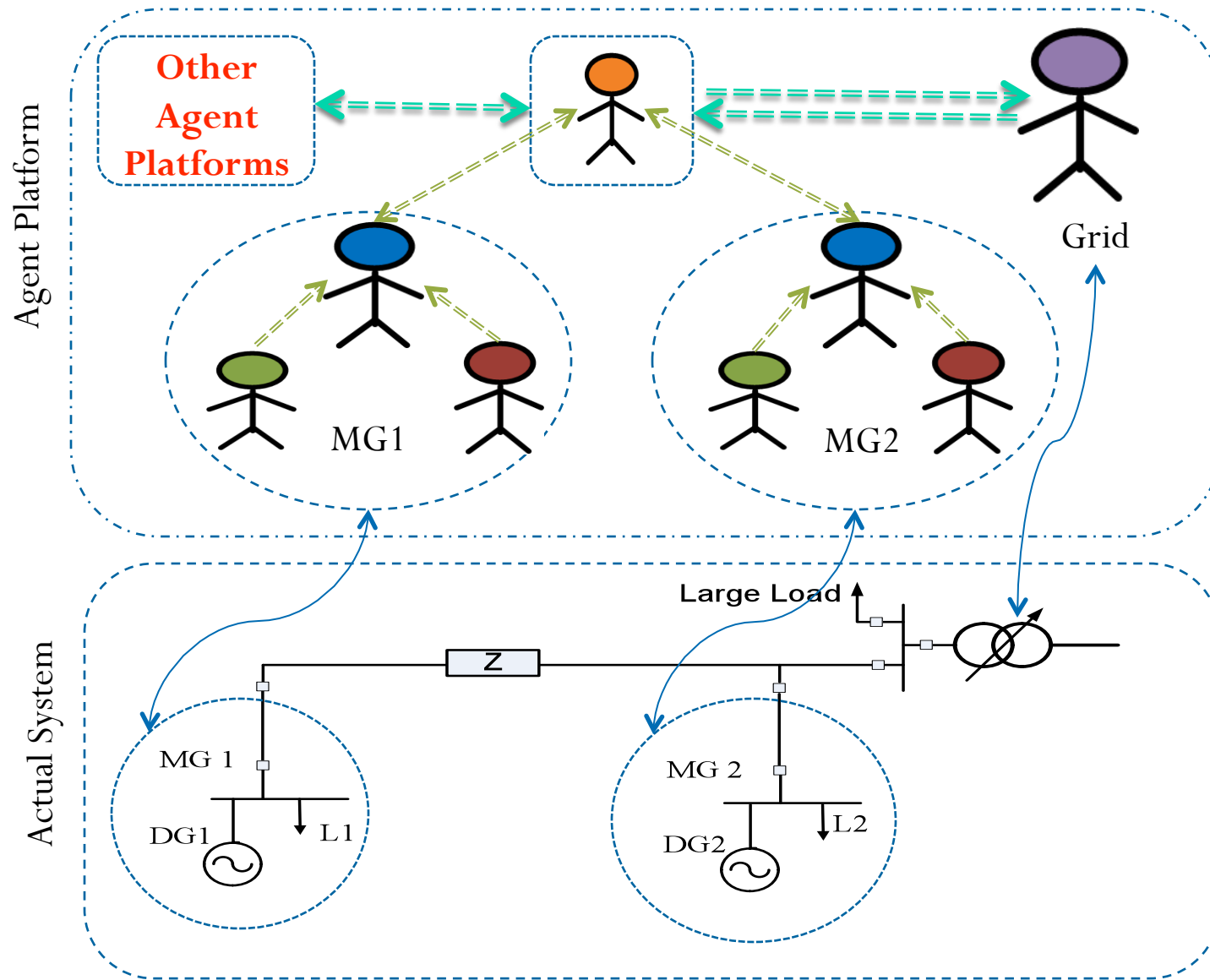
Incorporating DSM

- Smart DR options
- Incentive Mechanisms

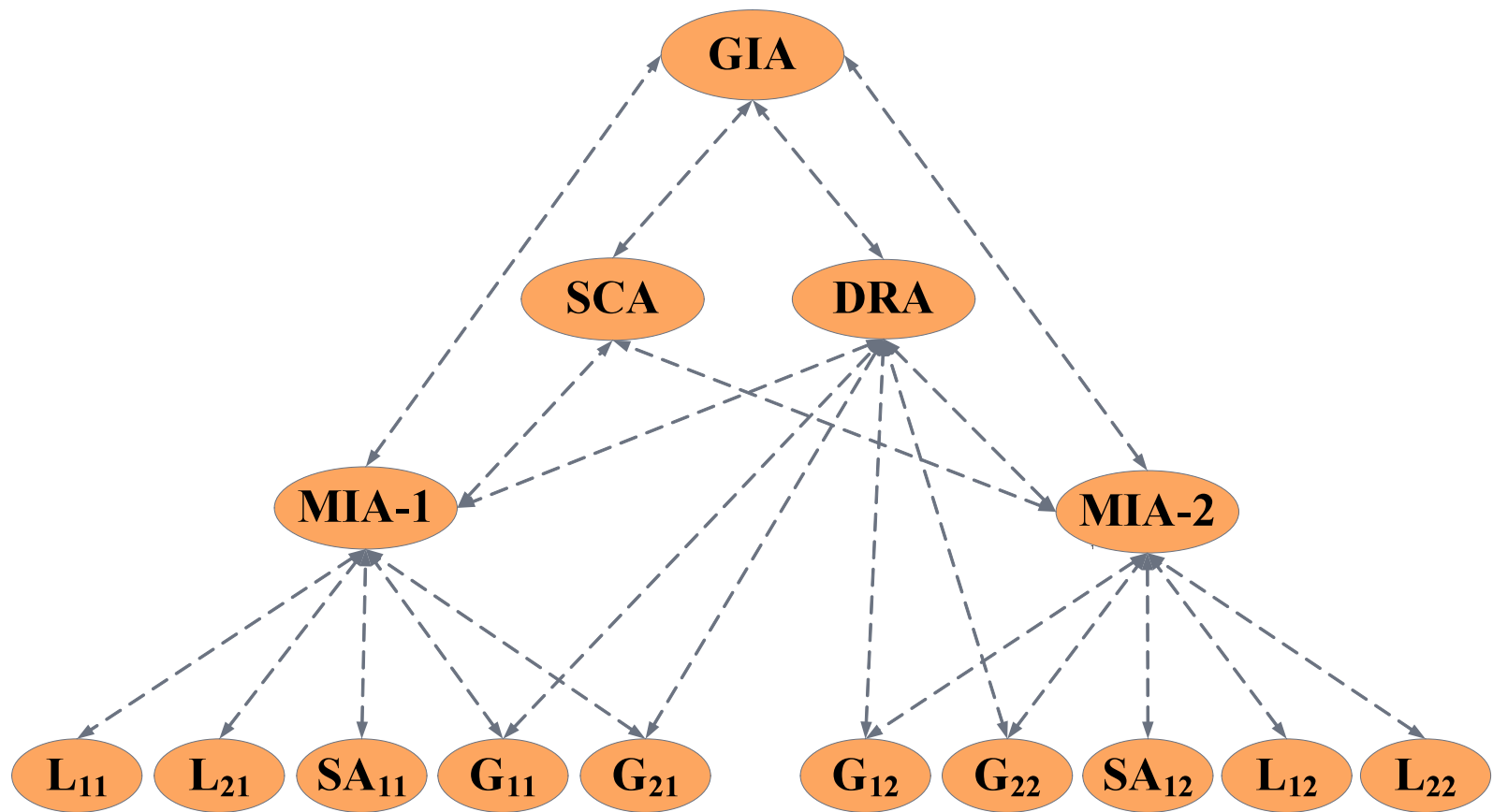
Incorporating Energy Storage

- Trading
- Coordinating with DR loads

# Agent based Energy Trading







## Hierarchical agent architecture to incorporate DR and DS

Note:  $L_{xy}$  indicates load agent number 'x' of microgrid 'y'. For example  $L_{21}$  is second load agent of microgrid-1

# Incorporating DSM (DR)

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- ❖ An agent called Demand Response Agent (DRA) is added to process DR requests placed by customers by negotiating with DGs.
- ❖ DRA initiates negotiation with DGs connected across the system with an offer price equal to the average of the market price range.
- ❖ DGs allot weights to each interval in the DR request based on the offer price and previous day transaction prices.
- ❖ DRA consolidates and finds the optimal duration to serve DR loads

# Incentive mechanism

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- ❖ A priority based incentive mechanism is proposed to fairly treat the customers participating in DR.
- ❖ “Customer with high priority index will be allowed to purchase energy from markets with low cost of generation sellers.”
- ❖ Priority index is decided by the frequency and size of customer participation in DR.

# Incentive mechanism

## ❖ Priority Index (PI):

$$PI(L_{xy}) = \frac{N}{N_{Total}} + \frac{P}{P_{Total}}; P_{Total} \neq 0 \text{ and } N_{Total} \neq 0$$

$N$  is the number of DR participations by  $L_{xy}$  in a day

$N_{Total}$  is the total number of DR participations recorded in a day in the corresponding microgrid

$P_{Total}$  is the total load participated in DR in kW in a day

$P$  is the total participation size of  $L_{xy}$  in a day in kW

# Proposed DR option

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- ❖ The proposed DR option is suitable for the loads which **does not** require **continuous supply of electricity** for the specified amount of time to complete the job.
  - ❖ Low priority loads like, Washing machines, Dish washers etc.
- ❖ Proposed intelligence decides the schedule for the appliances based on the comfort levels provided by the customers and supply demand relation in the system.
- ❖ Customers shall provide starting interval (SI), dead line (DL), time required to complete the job (OT) and load size.

# Incorporating Energy Storage

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- ❖ The agent architecture is upgraded with **Storage Agents (SAs)**.
- ❖ SAs participate in market through a trading broker (**SCA**)
- ❖ During power deficit/surplus situations, SCA participates in global auction.
- ❖ SCA enquires the storage agents regarding the status of the energy systems.
- ❖ The status information include and draining/filling abilities of the storage systems, and cost of the stored energy CSE.

# Incorporating Energy Storage

- ❖ Status of the storage systems is calculated as,

$$P_{in}(i, t) = \min\left(\frac{S_{Max} - S(t-1)}{\Delta T}, P_{Max}\right)$$

$$P_{out}(i, t) = \min\left(\frac{S(t-1) - S_{Min}}{\Delta T}, P_{Max}\right)$$

- ❖  $S(t-1)$  is the status of a storage system during the interval  $(t-1)$  in kWh and is equal to  $S \times (1 - E \delta)$
- ❖  $S$  is the status of the system at the end of the most recent filling interval in kWh
- ❖  $\delta$  is the self draining factor of the storage system in kWh per hour
- ❖  $E$  is the elapsed time from the most recent filling interval to  $(t-1)$  in hours
- ❖ The cost of stored energy is calculated as,

$$CSE(t-1) = \frac{CSE_{Re}}{(1 - E\delta)}$$

# Incorporating Energy Storage

❖ The Participation size of SCA in market is decided by storage systems status and mismatch  $\Delta P$  in the systems.

❖ If  $\Delta P > 0$ , then

$$P_D(t) = \min\left(\Delta P, \sum_{i=1}^B P_{in}(i, t)\right)$$

❖ If  $\Delta P < 0$ , then

$$P_S(t) = \min\left(-\Delta P, \sum_{i=1}^B P_{out}(i, t)\right)$$

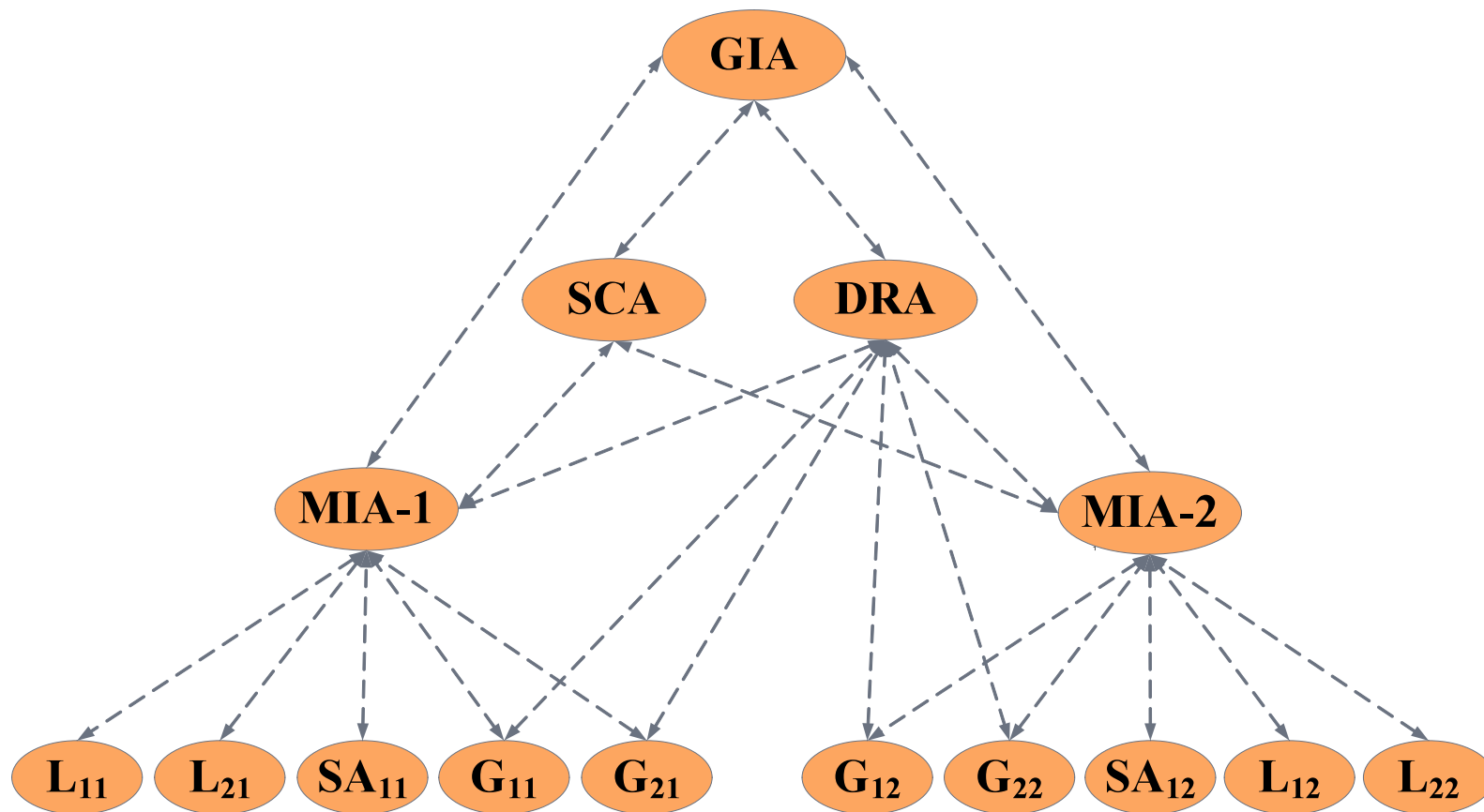
❖  $P_D(t)$  is the amount of power to be consumed by storage systems in kW,

❖  $P_S(t)$  is the amount of power to be supplied by the storage systems in kW

❖ B is the total number of storage systems



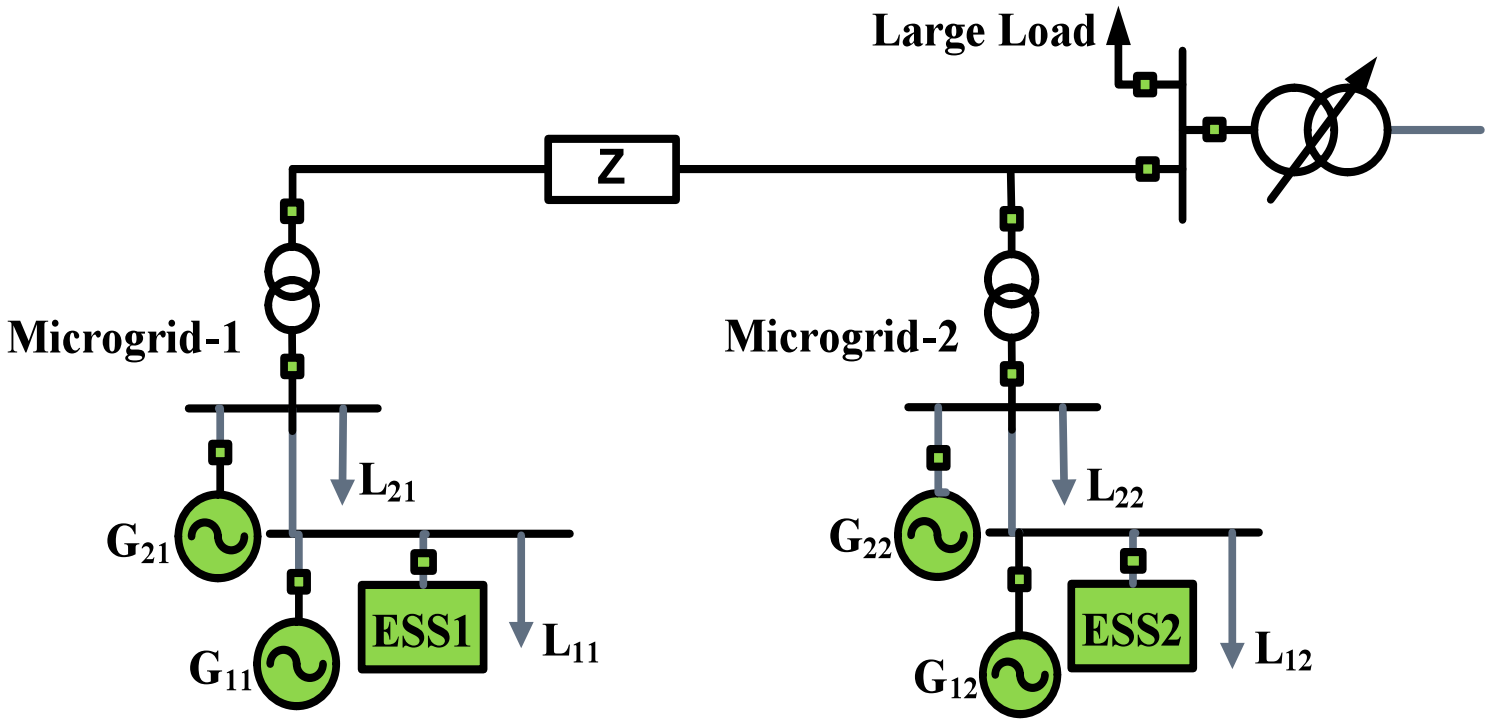




## Hierarchical agent architecture to incorporate DR and DS

Note:  $L_{xy}$  indicates load agent number 'x' of microgrid 'y'. For example  $L_{21}$  is second load agent of microgrid-1

# Case Study

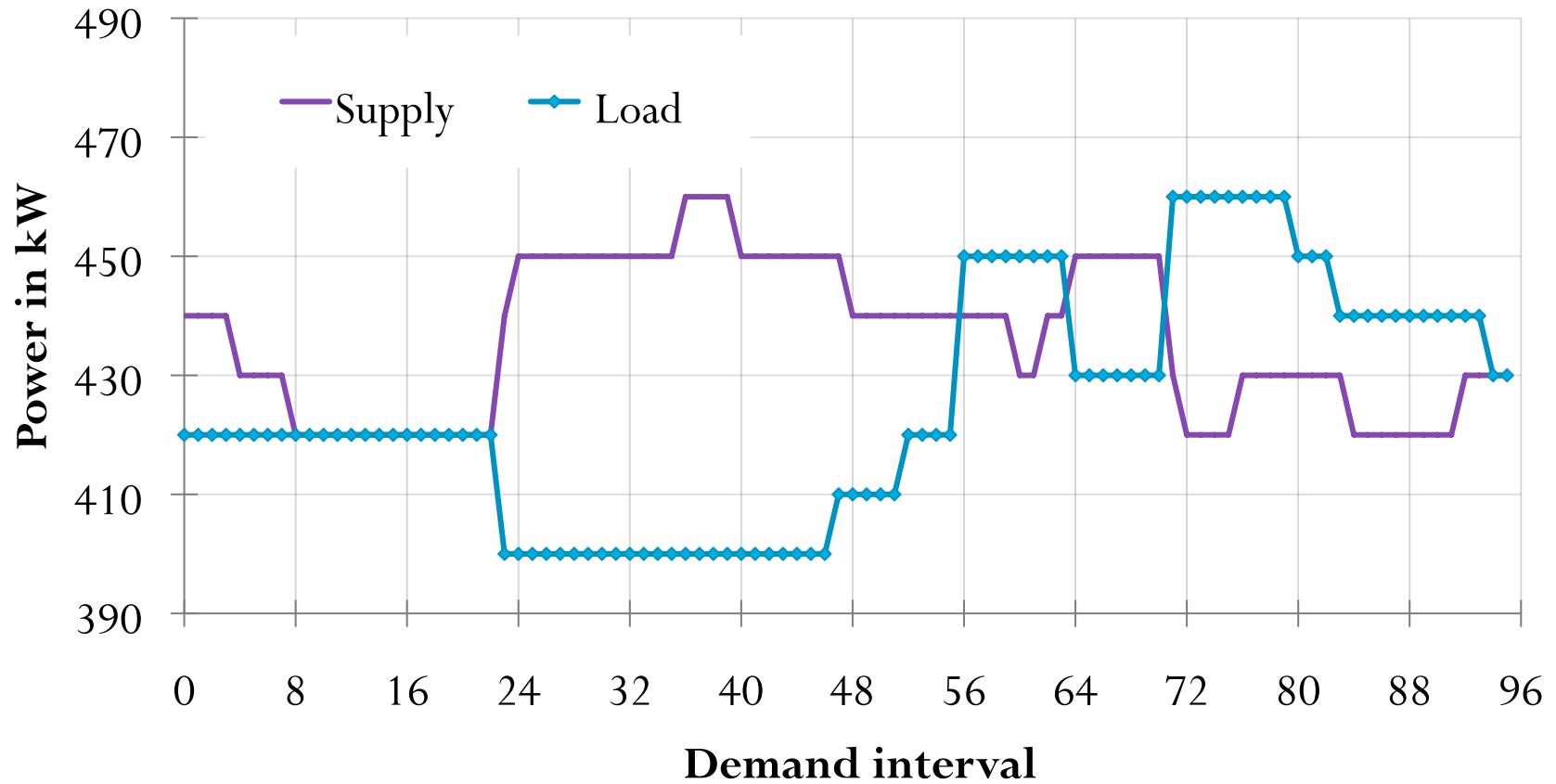


## Case Study

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- ❖ GBP is taken as 9 cents/kWh and GSP as 13.5 cents/kWh
- ❖ For market participation, shouts must be in [GBP ,GSP]
- ❖ Each of the load agents  $L_{21}$  and  $L_{22}$  are having some low priority loads.
- ❖ The storage systems are of 40kWh rating with an operating range of 12.5% to 100% of their rated capacity. These are initially filled to 12.5% of their rated capacity at a CSE of 11.25 cents/kWh

# Case study data (96 intervals)



# Market simulation

## DR Options

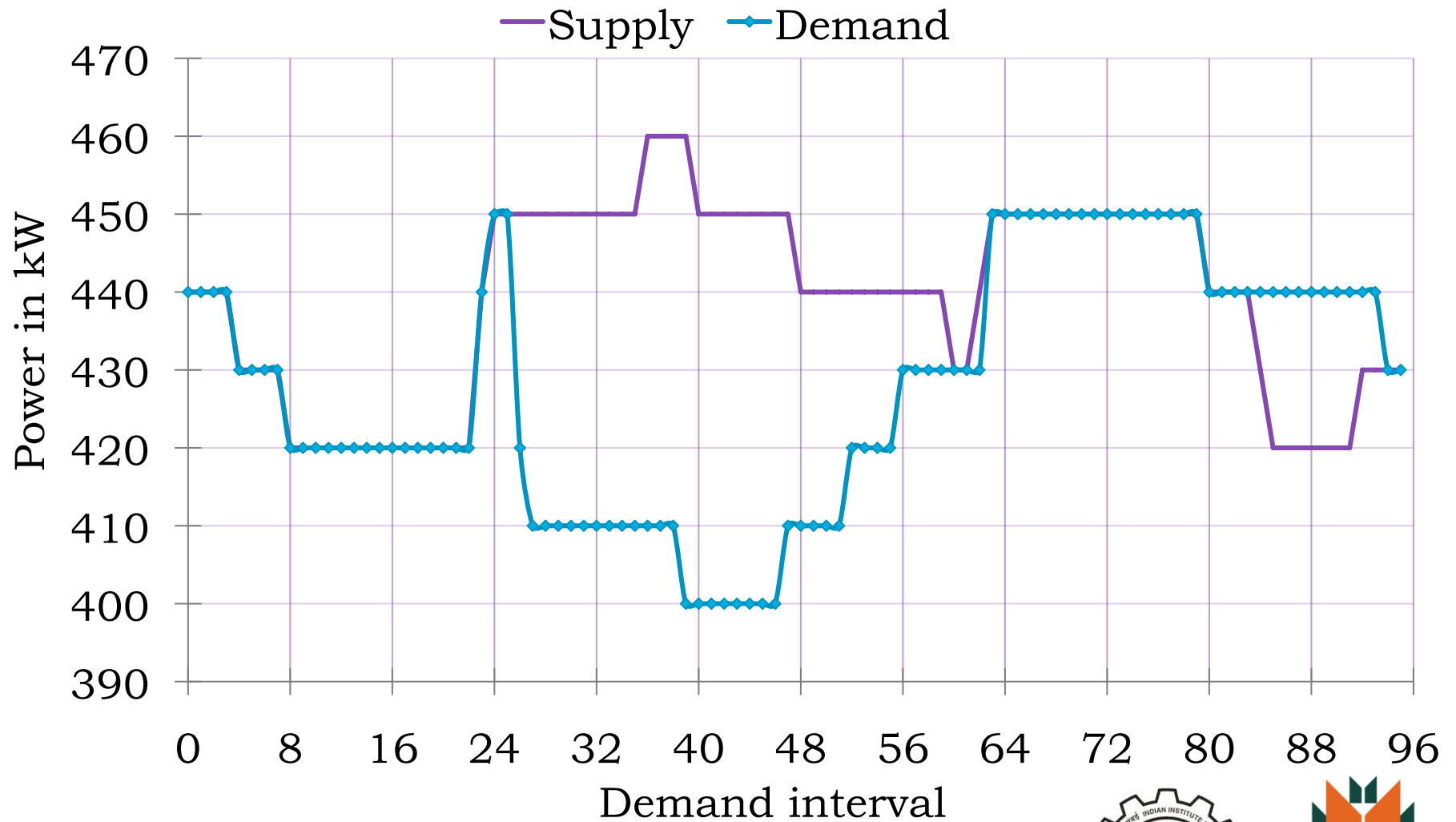
LA	SI	DL	OT	Size
L <sub>21</sub>	56	71	8	20 kW
L <sub>22</sub>	71	44 <sup>#</sup>	12	10 kW

## Optimal duration

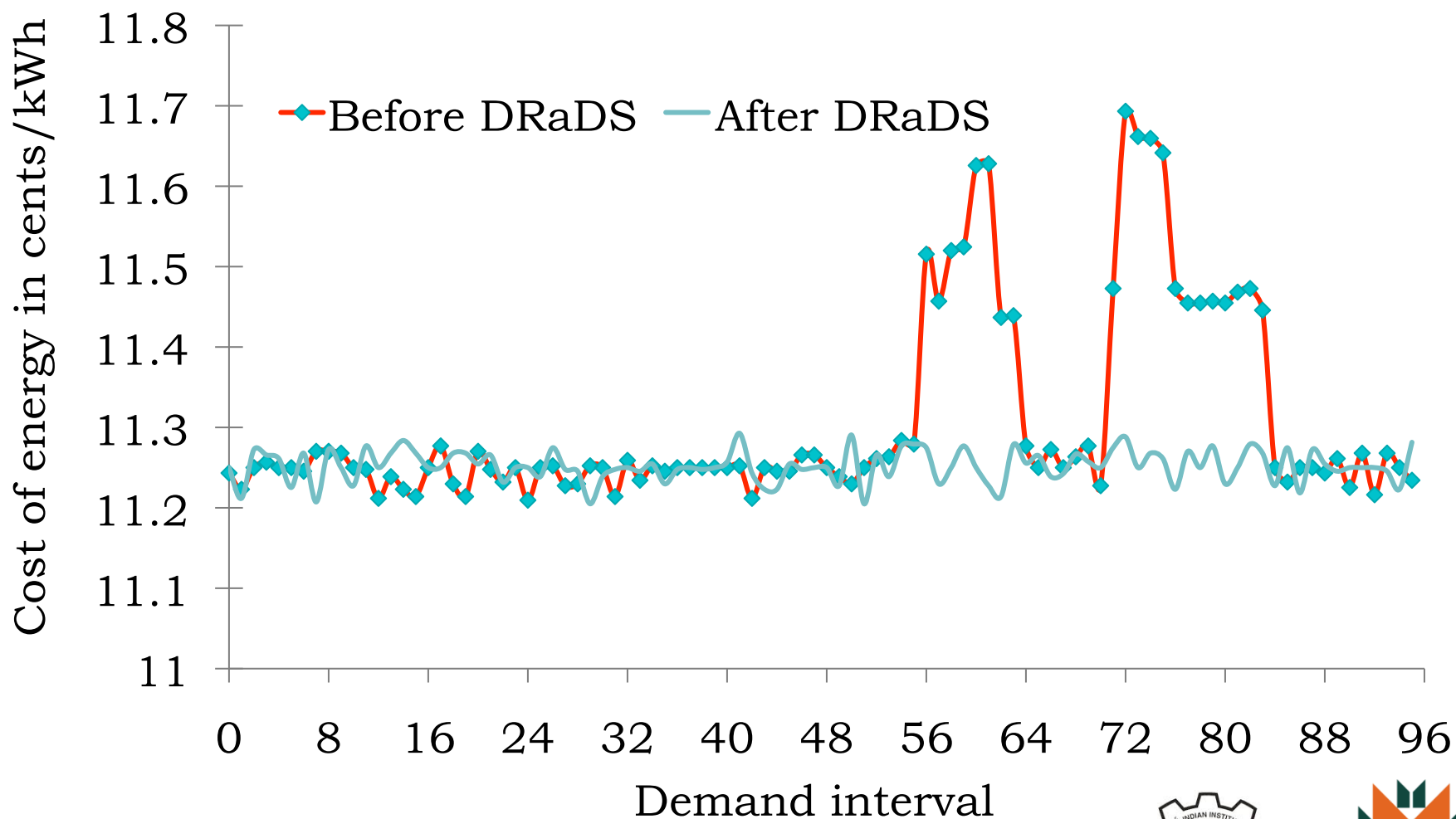
LA	Start	End	Duration	Size
L <sub>21</sub>	63	70	8	20 kW
L <sub>22</sub>	27 <sup>#</sup>	38 <sup>#</sup>	12	10 kW

#: demand interval on the following day.

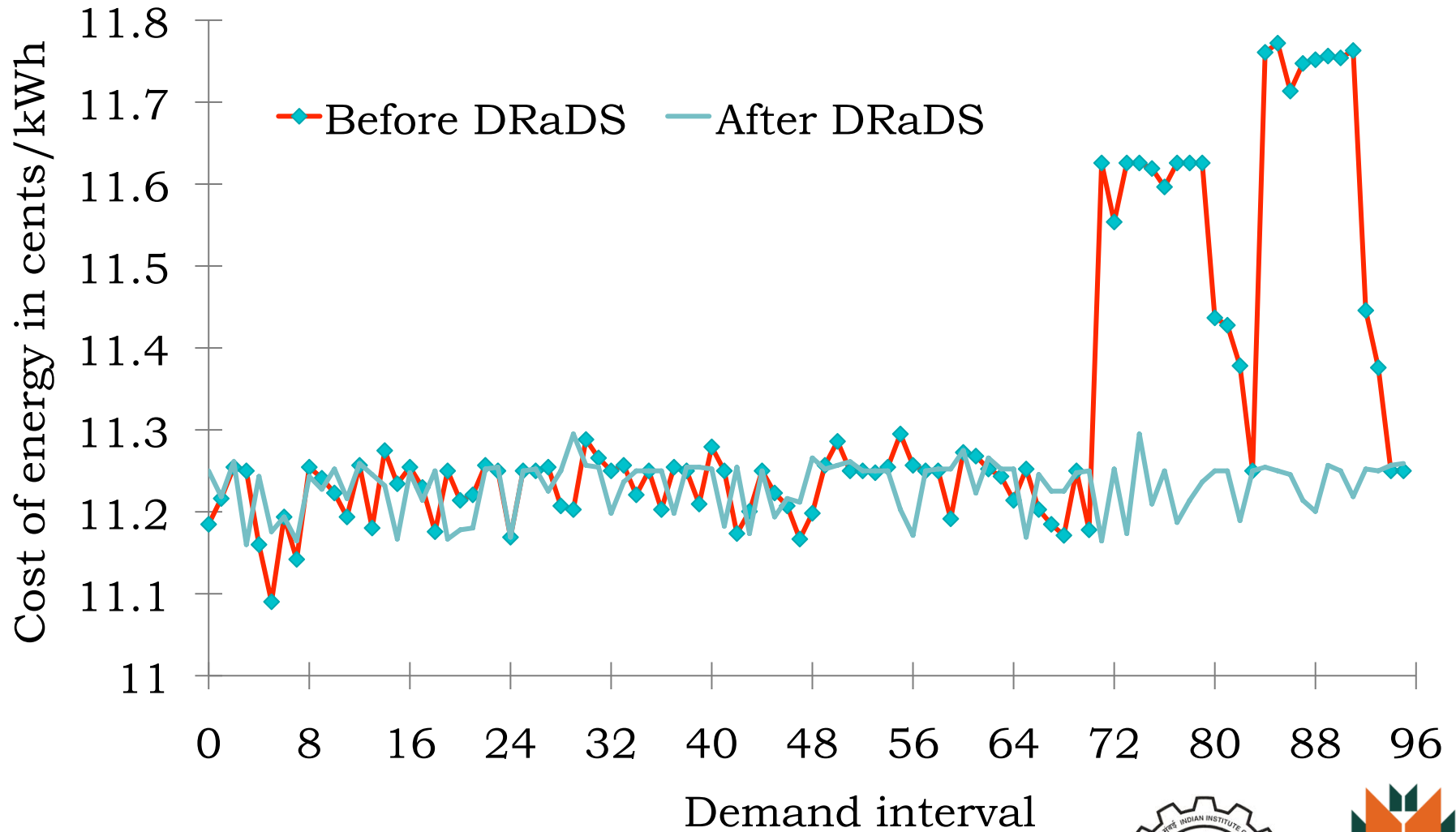
# Market simulation



# Trading history of $L_{21}$

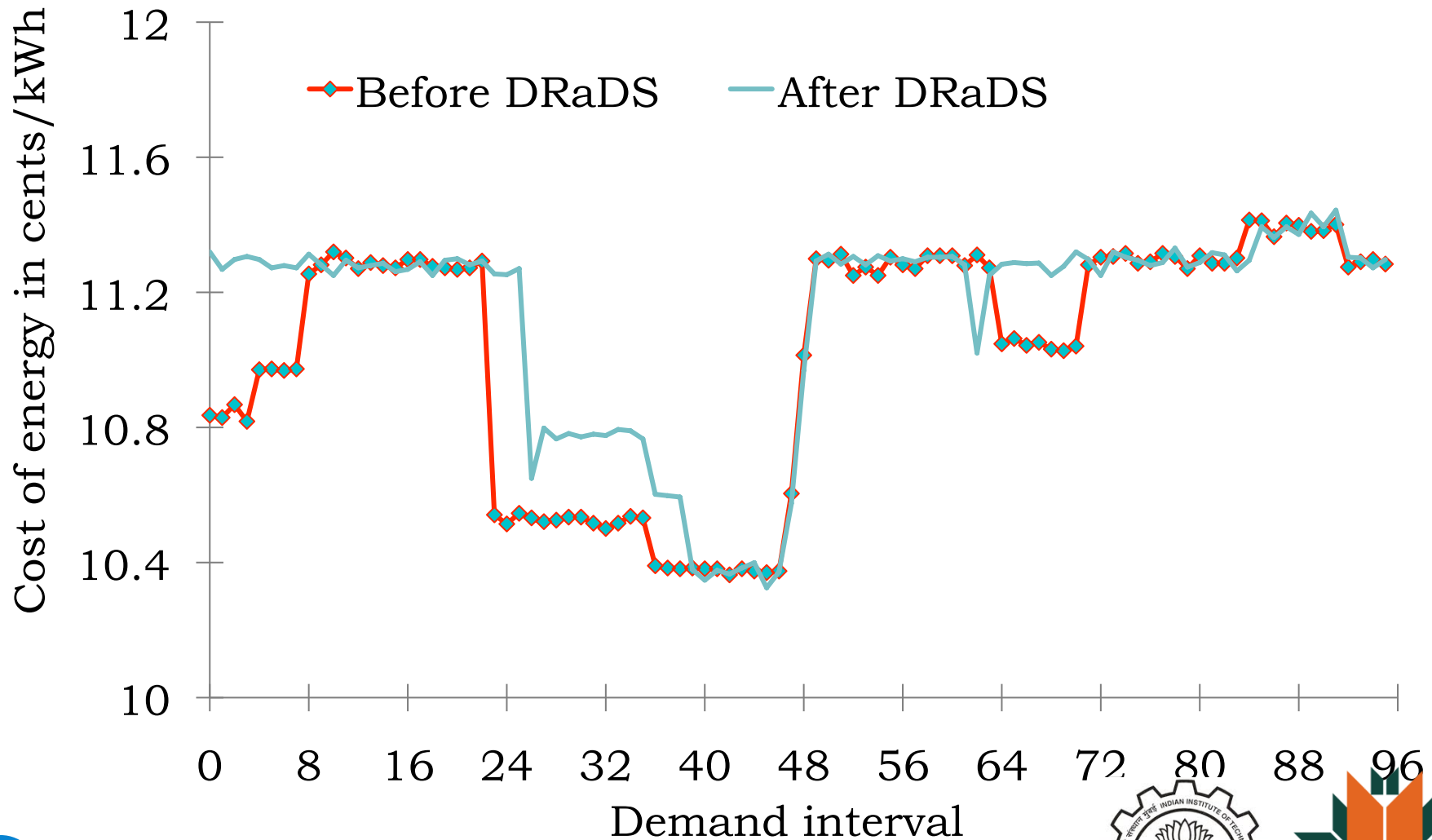


# Trading history of L<sub>22</sub>

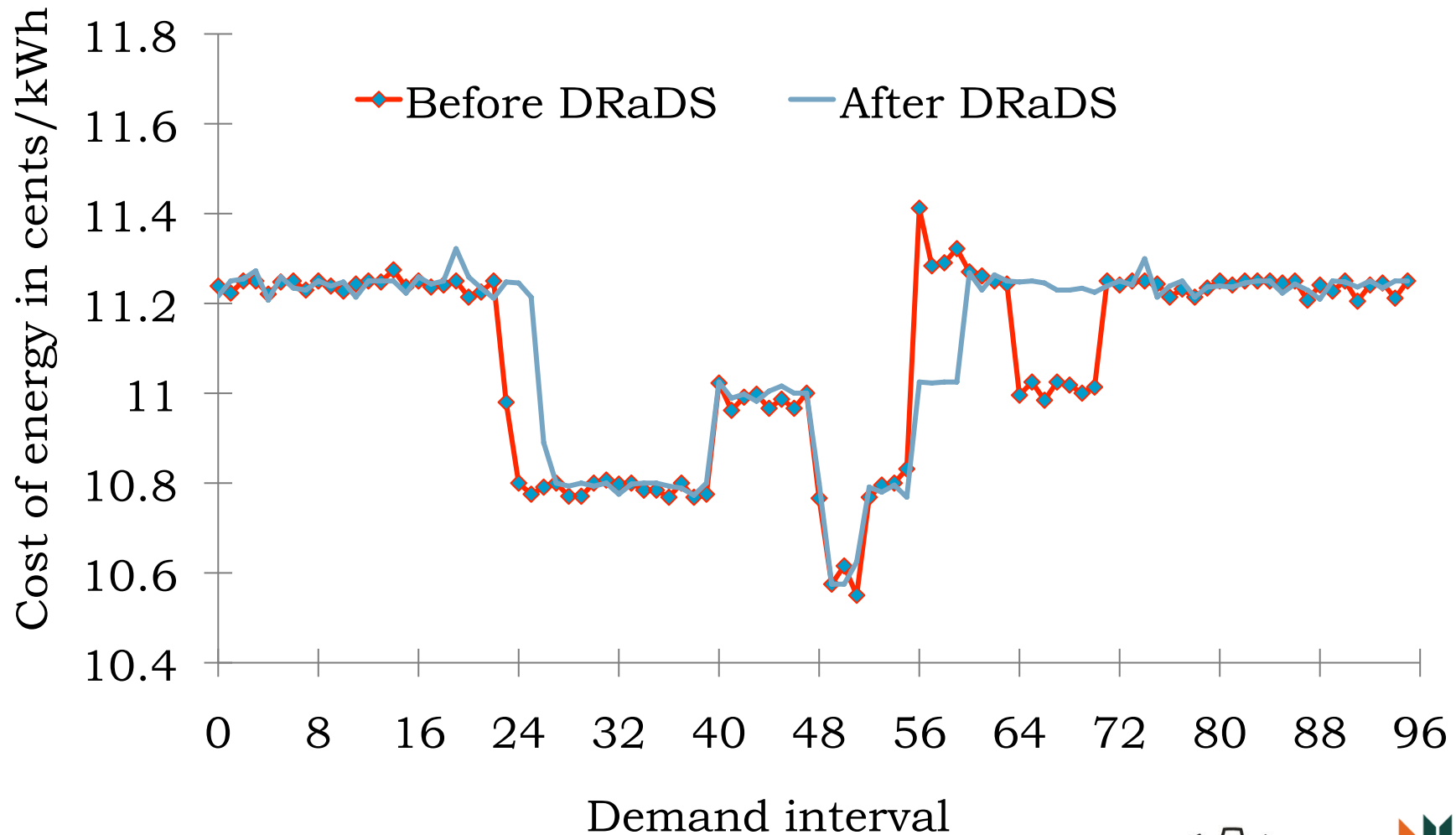




# Trading history of G<sub>21</sub>



# Trading history of G<sub>22</sub>



# Conclusion

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- ❖ An agent based real-time energy trading framework for distributed resource management in multiple interconnected microgrids using MAS is presented.
- ❖ Customers with low priority loads are allowed to participate in DR.
- ❖ The concept of priority index, to fairly treat customers participating in DR based on size and number of times of participation, is introduced.
- ❖ From the simulation results it is clear that the proposed framework is successful in reducing the peak demand.
- ❖ It is also found that the customers with high priority index get power supply at lower cost

# Acknowledgements



**MHRD**  
Govt. of India

# Thank You

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Ref: H.S.V.S.K. Nunna and S. Doolla, “Energy Management in Microgrids using Demand Response and Distributed Storage – A Multiagent Approach” *IEEE Transactions on Power Delivery*, Vol. 28, No. 2, April 2013, pp-939-947

# Generation and Load data for $\mu g-1$

Block	$G_{11}$ (kW)	$G_{21}$ (kW)	$L_{11}$ (kW)	$L_{21}$ (kW)	Mismatch (kW) <sup>#</sup>
1	100	100	100	100	0
2	100	50	100	90	-40
3	100	50	100	90	-40
4	100	50	100	90	-40
5	100	70	100	50	+20
6	100	50	100	50	0
7	100	90	100	50	+40
8	80	90	100	50	+20
9	80	100	100	50	+30

#: '+' sign indicates surplus and '-' sign indicates deficit

## Generation and Load data for $\mu\text{g-2}$

Block	G12 (kW)	G22 (kW)	L12 (kW)	L22 (kW)	Mismatch (kW) #
1	100	100	100	100	0
2	100	100	100	100	0
3	100	100	100	80	+20
4	100	100	100	70	+30
5	100	50	100	70	-20
6	100	100	100	50	+50
7	100	100	100	50	+50
8	100	80	100	100	-20
9	100	80	100	100	-20

#: '+' sign indicates surplus and '-' sign indicates deficit

# Trading history of $\mu\text{g-1}$ w/o DRaDS

Blk.	Market	G11* (Price)	G21* (Price)	L11* (Price)	L21* (Price)
1	Local	100/(11.20)	100/(11.23)	100/(11.23)	100/(11.20)
	Global	-	-	-	-
2	Local	100/(11.18)	50/(11.18)	100/(11.18)	50/(11.18)
	Global	-	-	-	40/(13.5)
3	Local	100/(11.23)	50/(11.25)	100/(11.23)	50/(11.25)
	Global	-	-	-	40/(12.80)
4	Local	100/(11.23)	50/(11.23)	100/(11.23)	50/(11.23)
	Global	-	-	-	40/(12.06)
5	Local	100/(11.25)	50/(11.23)	100/(11.23)	50/(11.25)
	Global	-	20/(11.20)	-	-
6	Local	100/(11.20)	50/(11.20)	100/(11.20)	50/(11.20)
	Global	-	-	-	-
7	Local	100/(11.27)	50/(11.23)	100/(11.27)	50/(11.23)
	Global	-	40/(9.0)	-	-
8	Local	80/(11.20)	70/(11.20)	100/(11.20)	50/(11.20)
	Global	-	20/(11.23)	-	-
9	Local	80/(11.18)	70/(11.18)	100/(11.18)	50/(11.18)
	Global	-	30/(10.13)	-	-

\*: Units for market share are in kW, Price in cents/kWh



# Trading history of $\mu\text{g-2}$ w/o DRaDS

Blk.	Market	$G_{12}^*$ (Price)	$G_{22}^*$ (Price)	$L_{12}^*$ (Price)	$L_{22}^*$ (Price)
1	Local	100/(11.18)	100/(11.25)	100/(11.18)	100/(11.25)
	Global	-	-	-	-
2	Local	100/(11.23)	100/(11.18)	100/(11.18)	100/(11.23)
	Global	-	-	-	-
3	Local	100/(11.19)	80/(11.19)	100/(11.19)	80/(11.19)
	Global	-	20/(12.11)	-	-
4	Local	100/(11.20)	70/(11.23)	100/(11.20)	70/(11.23)
	Global	-	30/(11.59)	-	-
5	Local	100/(11.27)	50/(11.18)	100/(11.18)	50/(11.27)
	Global	-	-	-	20/(11.20)
6	Local	100/(11.23)	50/(11.19)	100/(11.23)	50/(11.19)
	Global	-	50/(9.0)	-	-
7	Local	100/(11.27)	50/(11.23)	100/(11.27)	50/(11.23)
	Global	-	50/(9.0)	-	-
8	Local	100/(11.18)	80/(11.18)	80/(11.18)	100/(11.18)
	Global	-	-	20/(11.23)	-
9	Local	100/(11.25)	80/(11.25)	80/(11.25)	100/(11.25)
	Global	-	-	20/(10.69)	-

\*: Units for market share are in kW, Price in cents/kWh

# Trading history of $\mu\text{g-1}$ with DRaDS

Blk.	1		2		3		4		5		6			7			8		9	
Mkt.	Local	Global	Local	Global	Local	Global	Local	Global	Local	Global	Local	Global	DR	Local	Global	DR	Local	Global	Local	Global
$G_{11}^*$	100/11.23	-	100/11.20	-	100/11.25	-	100/11.23	-	100/11.27	-	100/11.30	-	-	100/11.30	-	-	80/11.22	-	80/11.18	-
$G_{21}^*$	100/11.23	-	50/11.18	-	50/11.25	-	50/11.23	-	50/11.20	20/11.23	50/11.30	-	-	50/11.20	20/9.45	20/11.25	70/11.22	20/11.25	70/11.18	30/11.26
$L_{11}^*$	100/11.23	-	80/11.20	20/11.25	80/11.25	20/11.27	80/11.23	20/11.26	100/11.20	-	100/11.30	-	-	100/11.30	-	-	100/11.22	-	100/11.18	-
$L_{21}^*$	100/11.23	-	70/11.18	-	70/11.25	-	70/11.23	-	50/11.27	20/11.24	50/11.30	-	20/11.25	50/11.20	20/11.25	50/11.22	-	-	50/11.18	-
$SA_{11}^{* \#}$	-	-	-	10/11.25	-	-	-	10/11.26	-	10/11.25	-	10/10.89	-	-	10/10.01	-	-	-	-	10/11.25

# Trading history of $\mu\text{g-2}$ with DRaDS

Blk.	1		2		3		4			5			6			7			8			9		
Mkt.	Local	Global	Local	Global	Local	Global	Local	Global	DR	Local	Global	DR	Local	Global	DR	Local	Global	DR	Local	Global	DR	Local	Global	DR
G12* (Price)	100/11.24	-	100/11.23	-	100/11.25	-	100/11.20	-	-	100/11.27	-	-	100/11.23	-	-	100/11.27	-	-	100/11.18	-	-	100/11.25	-	-
G22* (Price)	100/11.24	-	100/11.2	-	80/11.25	20/11.27	70/11.23	30/11.26	-	50/11.18	-	-	50/11.19	30/10.27	20/11.25	50/11.23	50/9.20	-	80/11.18	-	-	80/11.25	-	-
L12* (Price)	100/11.24	-	100/11.20	-	100/11.25	-	100/11.20	-	-	100/11.18	-	-	100/11.23	-	-	100/11.27	-	-	80/11.18	20/11.23	-	80/11.25	20/11.26	-
L22* (Price)	100/11.24	-	100/11.23	-	80/11.25	-	70/11.23	-	-	50/11.27	20/11.24	-	50/11.19	-	-	50/11.23	-	-	100/11.18	-	-	100/11.25	-	-
SA <sub>12</sub> *# (Price)	-	-	-	-10/11.25	-	-	-	-	-	-	-10/11.24	-	-	10/10.94	-	-	10/9.9	-	-	-	-	-	-	-