

Deep Dive: The D3A

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Outline

- 1. Background
- 2. What is the D3A?
- 3. D3A Market Model Design
- 4. D3A Roadmap
- 5. The D3A Alpha Simulation and Results
- 6. Future Work







The Modern Grid



Problems and Inefficiencies

- Coordination of an increasing number of electrical devices (IOT)
- Massive power outages from "natural" events
- Parts of the world would like to be electrified
- Slow acceptance of renewable energy due to economical, technical and regulatory hurdles
- Increasing complexity of electricity markets



- Decentralization: Powered by distributed resources of all types
- Decarbonization: Capable of achieving high penetrations of renewable resources
- **Democratization:** Provides the greatest degree of freedom for consumers by increasing choice, improving access, and enabling participation
- Resiliency: Resistant to and rapidly able to recover from both physical and cyber disruption.



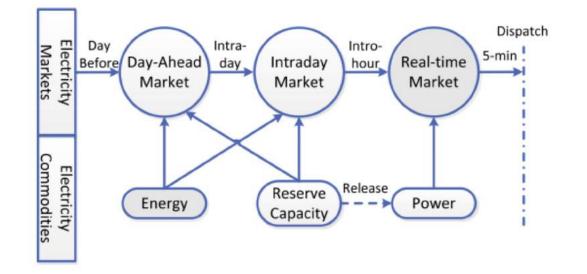
Specific Problems



1. Inefficiencies in the Balancing Market: It currently takes several weeks to publish the imbalance price in Germany

2. Blockchain scaling for Peer to Peer Trading: Peer to Peer projects must use smart contracts economically and require a blockchain platform with much higher transaction speed (ex: CryptoKitties)

3. Development of Rural Electrification Projects: Specific loads should be prioritized in grids with limited supply, while avoiding frequent blackouts



4. Prosumers cannot know the true value of their Distributed Energy Resources (DERs) without liberalized markets. A sharing economy is needed for rapid uptake of renewables and energy storage

References: Qi Wang, et.al. "Review of real-time electricity markets for integrating Distributed Energy Resources and Demand Response". Applied Energy 2015. (Image) R.A.C. van der Veen, et. al. "A comparison of imbalance settlement designs and results of Germany and the Netherlands".

Solution: What does the D3A Solve?

- The D3A provides a free-to-use modular simulation environment for users to simulate a variety of grid configurations and market models
- The D3A allows anyone to experiment with a decentralized market model, eliminating the barrier of costly simulation tools, and enabling unrestricted transactive energy research
- The D3A will replace the core technical processes of the grid from centralized to decentralized
- Settlement of transactions and balancing in real-time



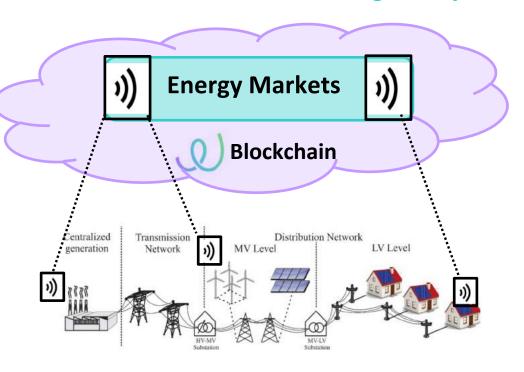
First Feature: Prioritization of Devices

Homeowners can choose which devices continue to consume and which devices go offline in emergency situations or rural grid configurations instead of suffering a complete blackout

What is the D3A?

D3A: Decentralized Autonomous Area Agent

- A Hierarchical Market Model
- For the Transactive Grid
- A Platform on top of the Energy Web Blockchain
- Enables Rapid Uptake and Management of Renewable Energy Resources
- One Agent on Every Energy Producing or Consuming Device
- Energy Transactions Secured by Smart Contracts and Private Transparency



Physical Layer

Digital Layer

Image: Everton Luiz de Aguiar, et. al. "Distributed Renewable Power 6 Sources in Weak Grids – Analysis and Control". Intech 2016.

How is it Designed?



The D3A will cover 3 dimensions:

- A hierarchical market model for the transactive grid
- A communications protocol for devices in the network
- Hardware implementation and grid balancing

What Do The Agents Do?

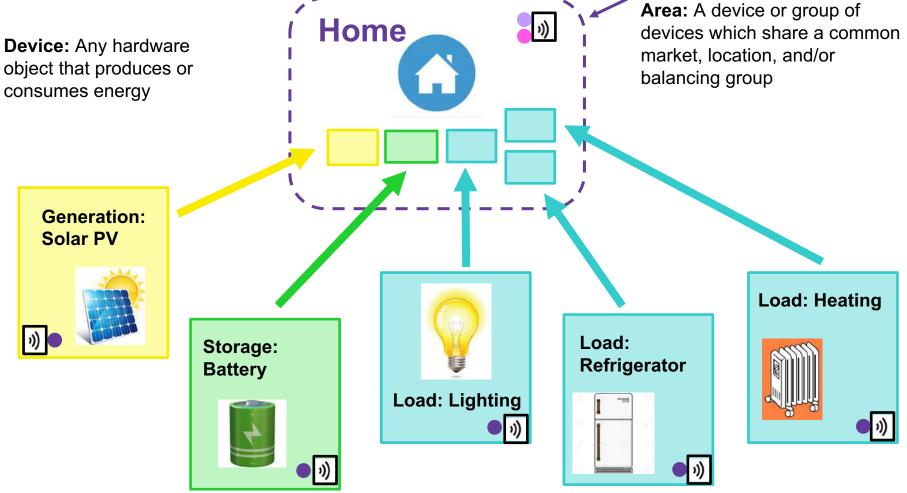


There are three agents currently defined:

- 1. Device Agent (DA): Represents a device in it's parent area market
- **2. Inter-Area Agent (IAA):** Moves offers from one area market to it's higher and lower hierarchy market
- **3. Balancing Market Maker Agent (BMMA):** An agent responsible for buying capacity in the balancing market to balance it's area in real-time

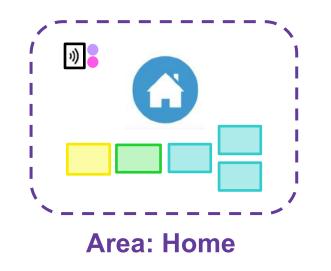
The D3A Builds Market Models From the **Bottom Up**







Spot Markets in Each Area



Default: Four spot markets each of 15 minutes length

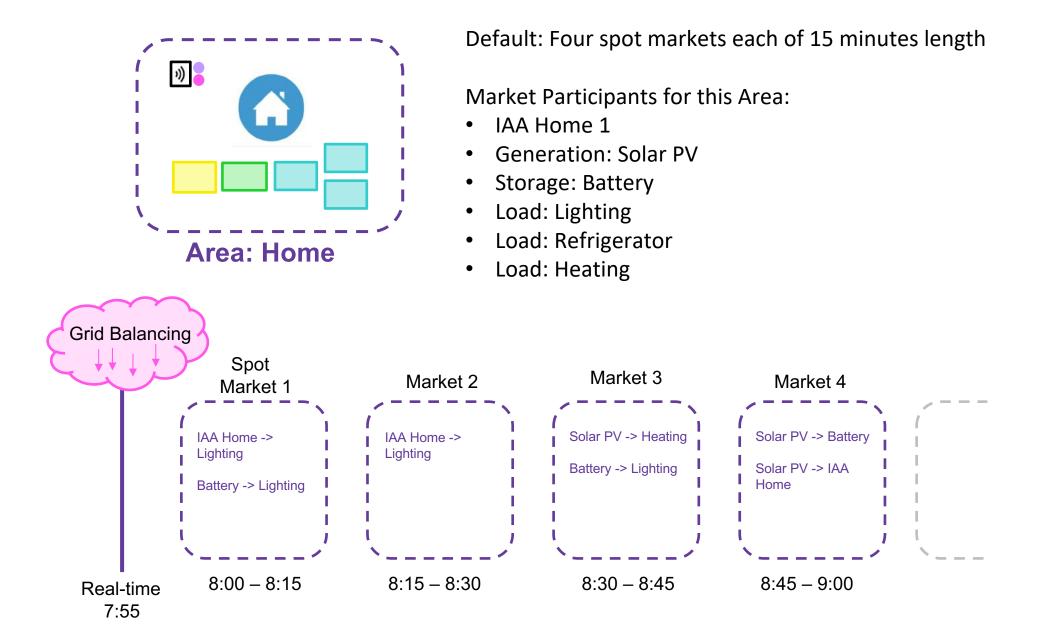
Market Participants for this Area:

- IAA Home 1
- Generation: Solar PV
- Storage: Battery
- Load: Lighting
- Load: Refrigerator
- Load: Heating

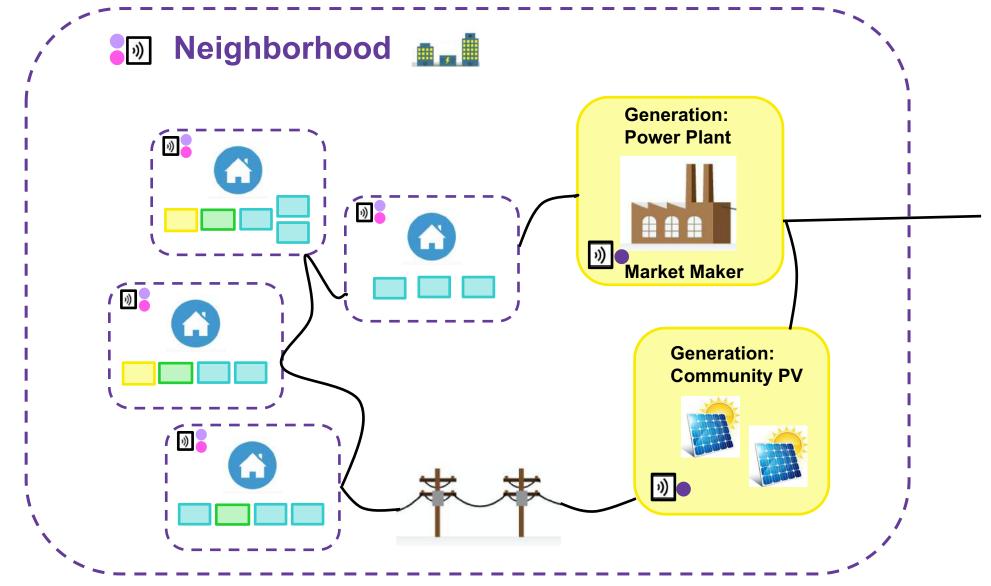
Spot Energy Market Exchange

- [IAA House -> Load: Lighting] 0.012 kWh @ 0.20 euros/kWh
- [Generation: Solar PV -> Storage: Battery] 0.250 kWh @ 0.15 euros/kWh
- Storage: Battery -> Load: Refrigerator] 0.021 @ 0.23 euros/kWh
- [• Generation: Solar PV -> IAA House] 0.051 kWh @ 0.19 euros/kWh

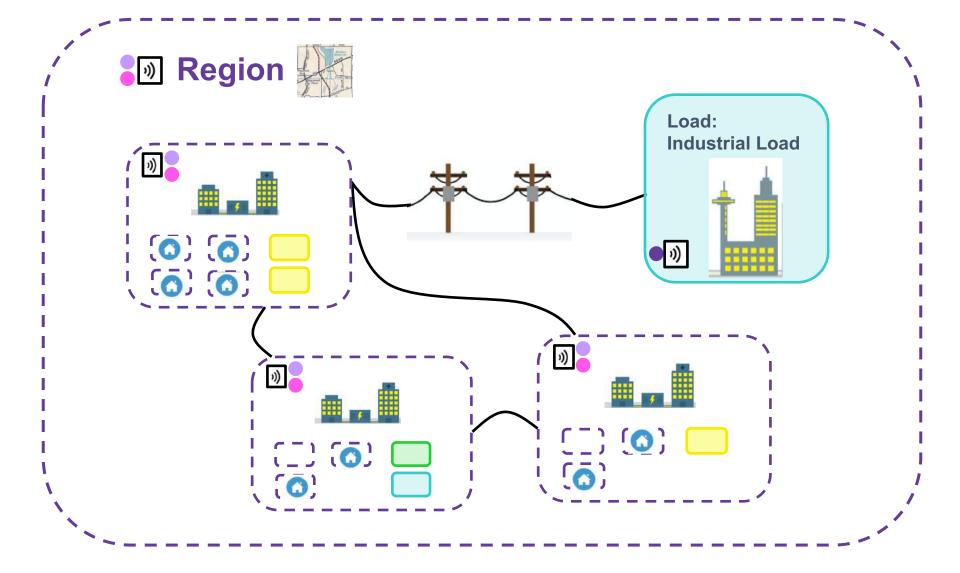
Spot Markets in Each Area



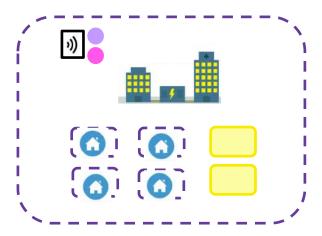
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The D3A Builds Market Models From the Bottom Up



Spot Markets in Each Area

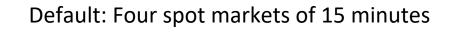


Area: Neighborhood

Default: Four spot markets of 15 minutes

Market Participants for this Area:

- IAA Home 1
- IAA Home 2
- IAA Home 3
- IAA Home 4
- IAA Neighborhood 1
- Generation: Power Plant
- Generation: Community PV

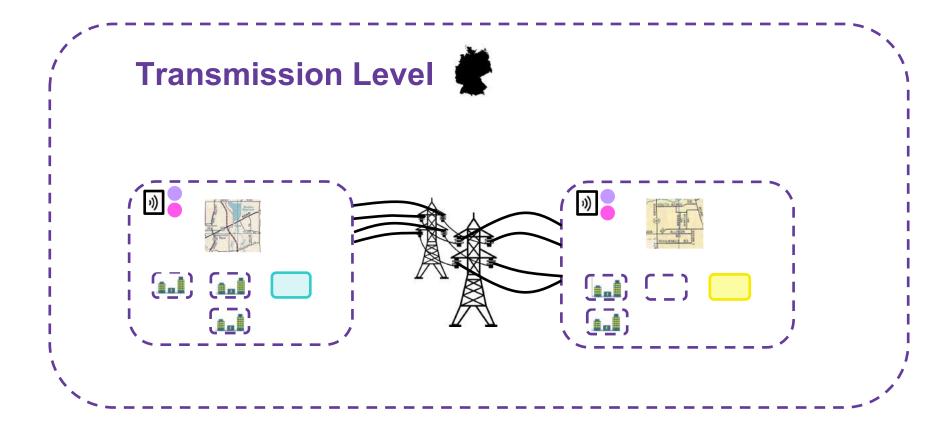


Market Participants for this Area:

- IAA Neighborhood 1
- IAA Neighborhood 2
- IAA Neighborhood 3
- IAA Region 1
- Load: Industrial Load



The D3A Builds Market Models From the Bottom Up

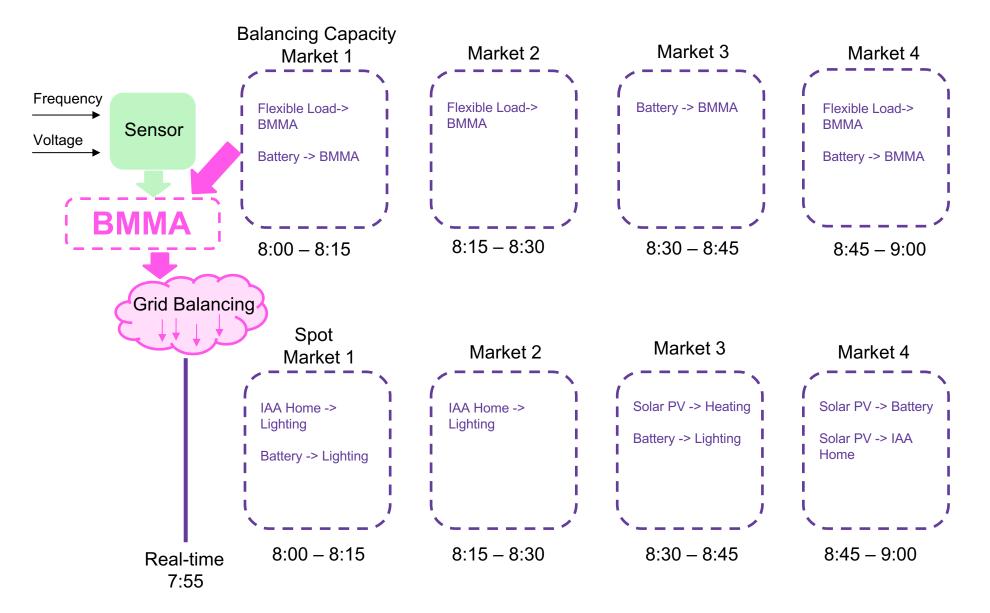


Market Participants for this Area:

- IAA Region 1
- IAA Region 2

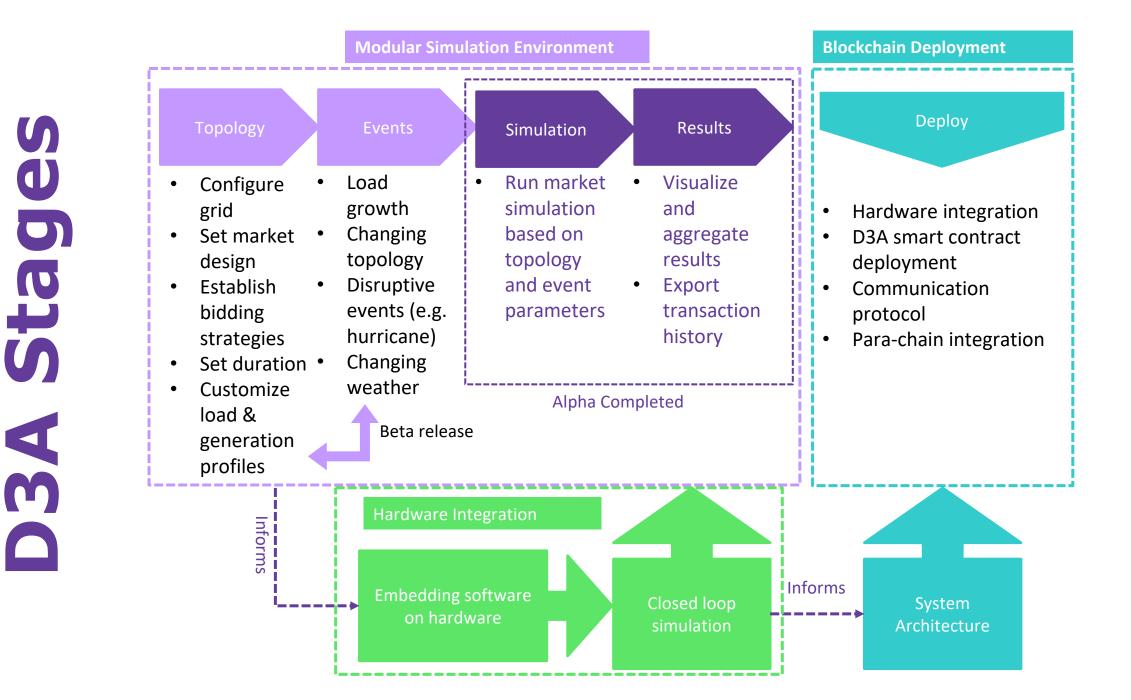
Balancing Markets in Each Area

Market Participants: White-list of devices that can provide reliable capacity

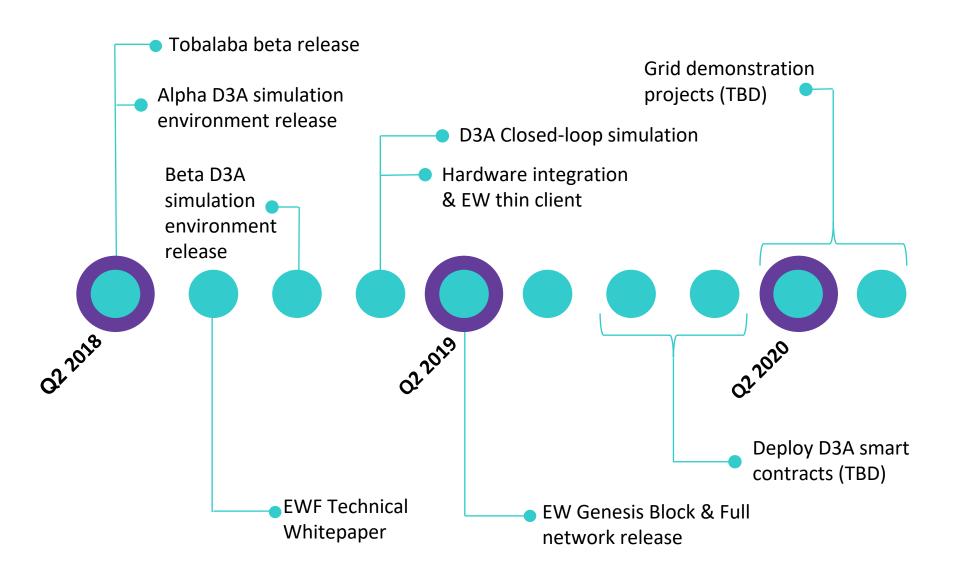


D3A Development Has Been Divided into Five Stages

- **1. Topology:** Grid Configuration
- 2. Events: Run-time, changing weather
- **3. Simulation:** Start Running
- 4. **Results:** Data Analysis and Re-design
- **5. Deploy:** Print out the code



D3A Roadmap



Introducing the D3A: Product and Features



The D3A



Results: Small Microgrid

Rural Microgrid: 5 Homes, 1 Cell Tower

Cell Tower: 100 W @ 24 h

- House 1: General Load: 100 W @ 4 h Low Lighting: 100 W @ 4 h ESS: 2 devices
- House 2: General Load: 100 W @ 3 h Low Lighting: 100 W @ 4 h
- House 3: General Load: 100 W @ 3 h Low Lighting: 100 W @ 4 h PV: 1 panel
- House 4: General Load: 100 W @ 4 h Medium Lighting: 200 W @ 4 h TV: 100 W @ 4 h PV: 3 panels ESS: 1 device
- House 5: General Load: 100 W @ 1 h Medium Lighting: 200 W @ 4 h TV: 100 W @ 4 h PV: 1 panel ESS: 2 devices

Cumulative Trading For Each Area

The total energy traded for each area, segmented to show the origin or destination of trades to other areas

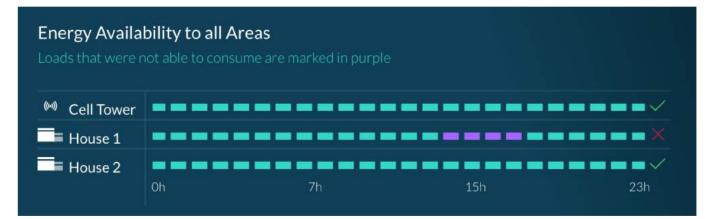


Results: Device Prioritization

With sufficient generation, **BEFORE**



With sufficient generation, AFTER House 1 Load limits its max energy rate



2 Homes, 1 Cell Tower

Cell Tower: 100 W @ 24 h

Case 1

- House 1: General Load: 200 W @ 6 h ESS: 2 devices
- House 2: General Load: 200 W @ 3 h PV: 4 panels



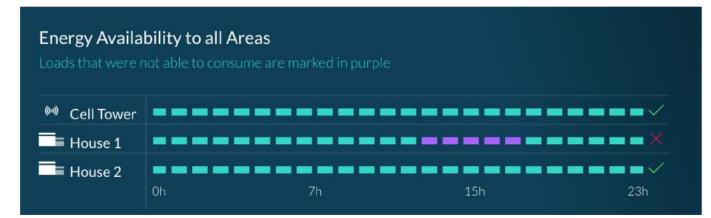
Results: Device Prioritization

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With insufficient generation, BEFORE. Cell Tower goes offline



With insufficient generation, AFTER. House 1 Load limits its max energy rate and goes offline instead



2 Homes, 1 Cell Tower

Cell Tower: 100 W @ 24 h

Case 2

- House 1: General Load: 200 W @ 6 h ESS: 2 devices
- House 2: General Load: 200 W @ 3 h PV: 4 panels



Future Work



Over the course of 2018, EWF will add more features to the D3A that can be tested, including:

- Advanced grid configurations, with multiple tiers ranging from individual buildings to the bulk power system
- Inter-area agent and other types of agents, which coordinate transactions between disparate components and grid tiers
- Advanced bidding strategies for devices and area agents, which may change over time or in response to exogenous factors (e.g., weather, behavior of other participants)
- **Grid events**, including changing load profiles and grid configurations over time as well as disruptive events
- **Custom load and/or generation profiles**, either uploaded by users or fed in from external data sources
- **Different Market Designs** (e.g., one-sided vs. two-sided), exploring outcomes under varied price-setting mechanisms
- A Balancing Market

Questions?

Come Visit Us at the D3A Cube!

Sarah Hambridge, PhD D3A Product Owner sarah.hambridge@energyweb.org



Grid Summary		Results Simulation: stopped Mulse apport renun loop			
Average Electricity Prices The antropy more my outmost more prices			liability to all Areas		
	0.26€/kWh	H Cell Towe House 1			
	0.05 €/kWh	House 3 House 4 House 5			
	0.32€/kWh				
Market Overview					
Cumulative Trading For Each Area The total energy incides far each area segmented to share the of		Net Energy Traded and Electricity Bill The focal one go traded for one that and even paid or received www.			
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		House 2		0.64	Q
		House 3		+0.39	o
6 - Cel Tower House 1 House 2 House	3 House 4 House 5	House 4		-1.92	-0
		House 5		-0.36	-0
Cumulative Load and Average Trade Price The consultive load are the overge trade of an the grid trade - Average Price - Cumula					
		- Ar D.8- 0- -	erage£3Wh + Min £XWh Storage	Max EXWh PV Generation M Profile XWh	Wh