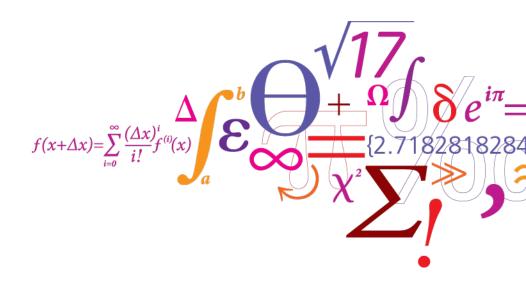
Living Lab for New Energy Technology : Bornholm, Denmark

Professor and head of centre Jacob Østergaard Center for Electric Power and Energy (CEE)

IEA EGRD meeting Berlin, 22-23 October 2018



DTU Electrical Engineering Department of Electrical Engineering

New Danish Energy Policy Agreement 28 June 2018

2020

30 percent of the energy needs covered by renewable energy

50 percent of the electricity needs covered by wind power

2030

55 percent of the energy needs covered by renewable energy

Three new offshore wind farms of total capacity 2400 MW

100 percent of the electricity needs covered by renewable energy

2050

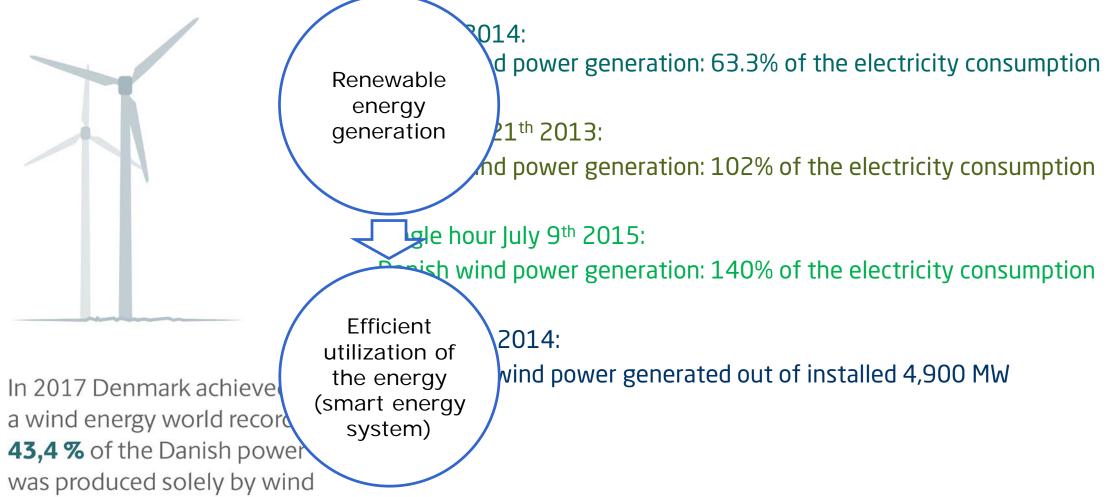
Low emission society independent of fossil

fuels

80-95 percent

reduction of GHG emissions

Wind power in Denmark



Living Labs for New Energy Solutions

- <u>Brings solutions closer to market</u> by demonstrating its applicability in an operational environment (~TRL6-7)
- Solutions are exposed to 360° real-life challenges in all its aspects
 - Operation as part of a coherent energy system
 - Exposed to all aspects of implementation and operation including aspects not foreseen
- <u>Platform for collaboration and innovation</u> between stakeholders
 - Academia, industry, authorities, end users
 - Knowledge flow from academic to industry
 - Transfer of problems from industry to academia





You have wind and I have sun - shall we trade?

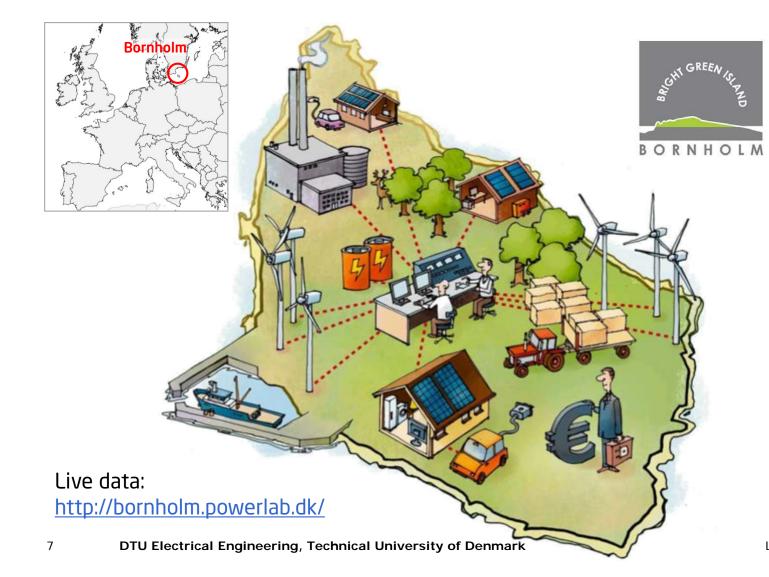
Co-housing scheme : community spirit built into the foundations Development of a peer-2-peer sharing economy-system for energy exchange



DTU

Bornholm Island

~1% of Denmark // 40,000 people // 100% renewable power and DH



Bright Green Island strategy (since 2008) -> Engaged community

100% renewable power generation

- Wind power, 34 MW
- Solar PV, 18 MW
- Biomass-fired/CHP, 25+16MW
- Biogas, 2 MW

100% renewable district heating systems

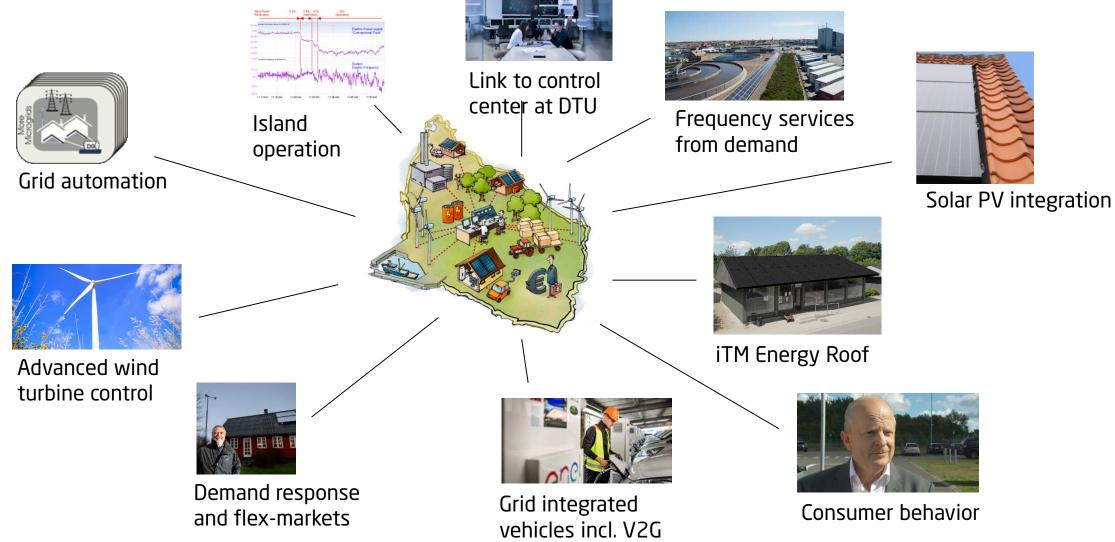
A single cable to the Nordic power system (can be disconnected) Part of Nord Pool market

100% smart meters roll-out

Part of PowerLabDK

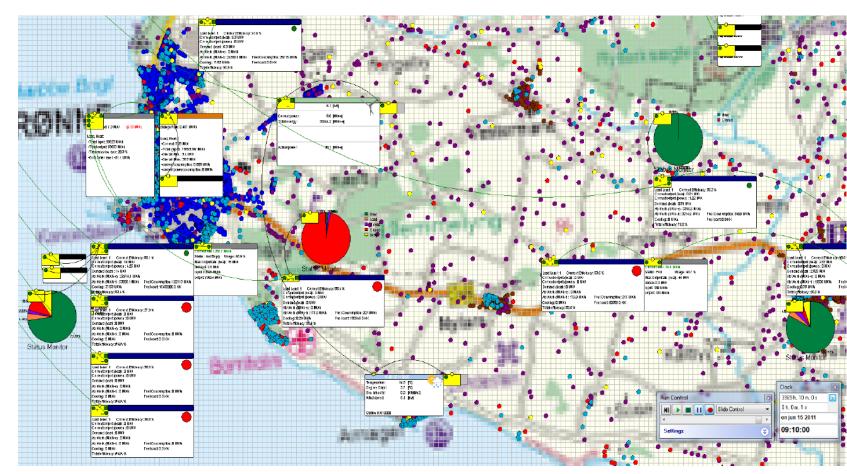
Living Lab for New Energy Technology: Bornholm, Denmark

Bornholm as platform for energy research, innovation and demonstration





High-Fidelity Simulation Models and Data of Bornholm



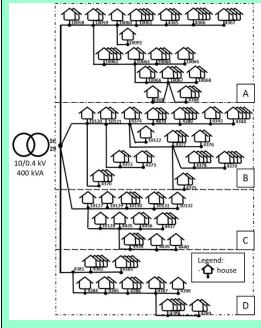
• LV grid: 400 V

• 10/0.4 kV 400 kVA

distribution transformer

• 4 subfeeders: 127 known

load consumptions



Realistic grid models

Models at level of individual buildings

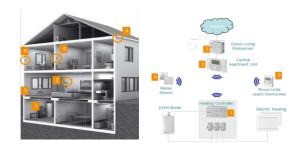
DTU Electrical Engineering, Technical University of Denmark

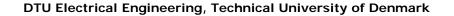


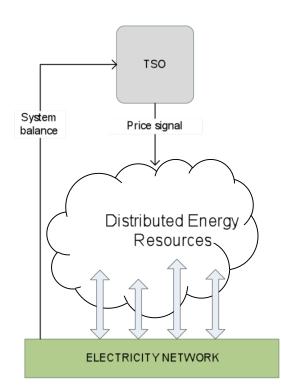
EcoGrid EU

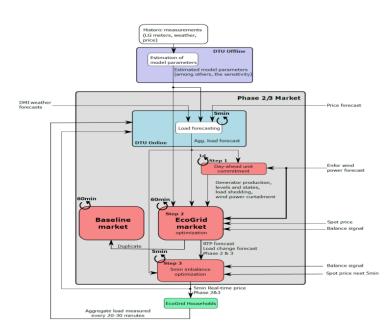
EU fast-track to a smart energy system

- Integrated research and demonstration
- Novel 5-min market empowering 2,000 private and commercial customers managing their energy
- Smart meters and automation equipment installed in buildings and processes











Refs: *IEEE Transactions on Smart Grid*, 2013.

EcoGrid EU Cutting-edge experience with flexible customers





EU Sustainable Energy Award 2016; most outstanding and innovative energy project with consumers.



IEA ISGAN Award of Excellence in smart grid systems 2014, "Consumer Engagement & Empowerment"



Best Sustainable IT-project 2012, awarded by Sustainia 100 (Arnold Schwarzenegger et. al)

- Multiple customer motivations
 - Lower electricity bill by smart control
 - Knowledge about own energy use
 - Using green electricity
 - Possibilities with new technology
 - Being part of a community(!)







A new market framework for exchanging flexibility

MARKETS FOR FLEXIBILITY





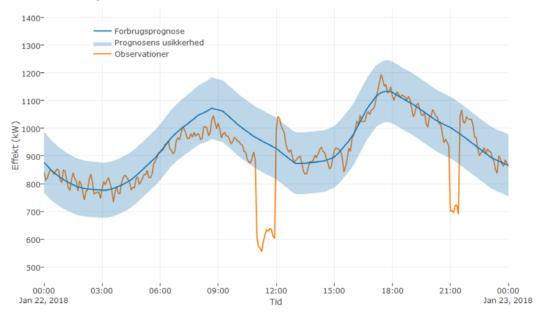
Flexibility market design in EcoGrid 2.0



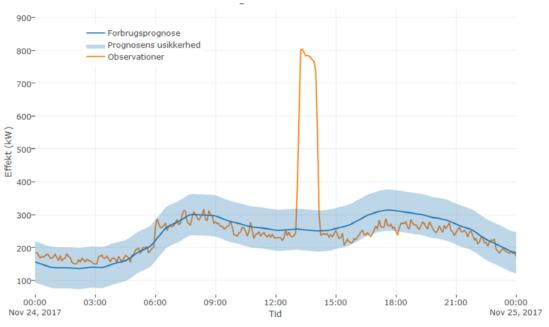
Test of demand response from two aggregators at Bornholm



22 January 2018: Response due to turn-off of 450 heat pumps at 11AM and 9PM. Demand is reduced by >1/3 in both cases.



24 November 2017: Response due to turn-on of electric heating in 350 houses. Demand increased by 2.3 times compared to the baseline.



Based on ~200 tests we in winter time can:

- Reduce the demand with 30%
- Double the demand with 100%

Ref: www.electricitybaseline.com



Extended use of demonstrations...

Limitations in current demonstration

Experiments are not 100% realistic

Cunrrent regulation may prevent real experiments

- Connection codes etc.

- Market rules

- Tariffs

- Taxes

Potential of allowing <u>alternative regulation</u>

Investigate interaction btw. technologies, business models and regulation

Evaluate impact of new regulation

Emulating different regulatory frameworks

Energy Communities

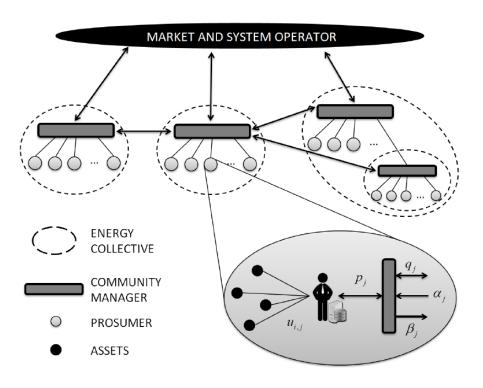


Fig. 1. Organization of an energy collective and its interactions with system operator and other collectives.

• Consumer-centric market

• A community of prosumers that operates in a collaborative manner, optimizing usage of resources

- the members can trade their lack or excess of energy
- all prosumers are in charge of optimizing their assets individually
- a non-profit virtual node, that we call community manager simplifies interface with the market and system operator

Ref.: Moret, F., & Pinson, P. (2018). Energy Collectives: a Community and Fairness based Approach to Future Electricity Markets. *IEEE Transactions on Power Systems*. DOI: 10.1109/TPWRS.2018.2808961

Need for test-zones for new business models and digital energy solutions



<u>Test under realistic</u> <u>conditions</u> of technologies and business models. <u>Test-zone with alternative regulatory</u> <u>frameworks</u> for test of alternative solutions and business models under realistic conditions. <u>Test-zones with alternative regulatory</u> <u>frameworks</u> (limited in time and space) in relation to better utilization of data and digitalization.

Bornholm as national test zone for Smart Energy



Idea?

- Open platform with open access
- Demonstration of interaction of technology, market and control



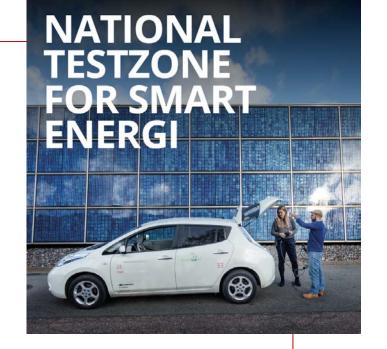
How?

- Possibility for experiments with alternative regulatory framework (tariffs, market rules, energy taxes)
- Tax neutral



Why Bornholm?

- Full model of the future energy system with scalability
- 100% renewable energy (power generation and district heating systems)
- Isolated area which is easy to monitor







Conclusions

- 1. Living labs are important for maturing solutions, collaboration, and innovate
- 2. Clustering activities leads to synergy, efficiency and added-value in the activities
- 3. <u>The regulatory framework is probably the most important barrier</u> for new innovations of smart energy systems (digitalisation, new business models and new marked designs).
- 4. <u>Test-zone with alternative regulation will accelerate</u> the new solutions and thereby the green transformation (push regulation).
- 5. We should <u>not forget traditional (non-living) labs in large scale</u>, where failures are allowed and solutions can be tested beyond their normal operational limits

Questions...

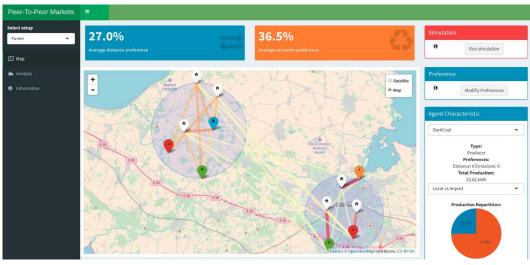


Jacob Østergaard

Professor, Head of Center Center for Electric Power and Energy (CEE) Department of Electrical Engineering Technical University of Denmark Web: <u>www.cee.elektro.dtu.dk</u>

Tel: +45 45 25 35 01 Email: joe@elektro.dtu.dk

Peer2peer markets in action...



DTU

https://p2psystems.shinyapps.io/ShinyApp_Project/