

Wind Integration: Tri-State Public Process



Tri-State G & T

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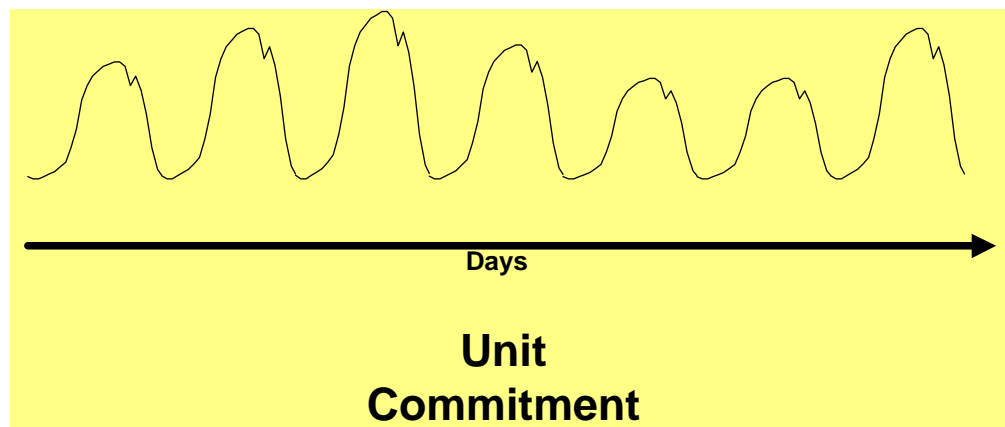
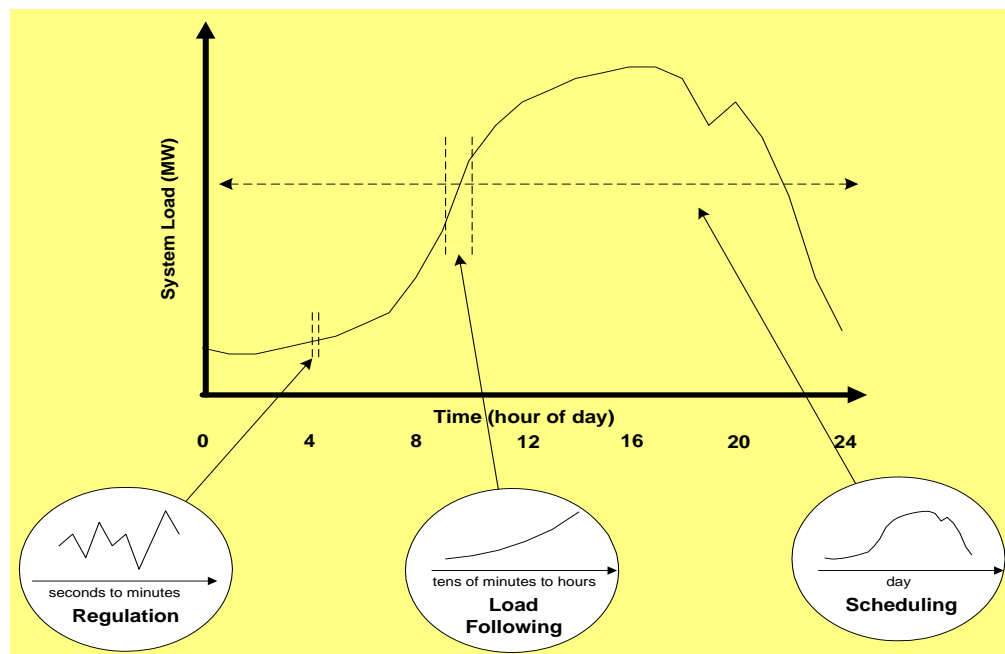
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Outline

- What do we know about wind integration?
- Relevance for Tri-State
- Physical impacts and potential improvement
- Tariff/cost considerations
- Recommendations

What do we know about wind integration?

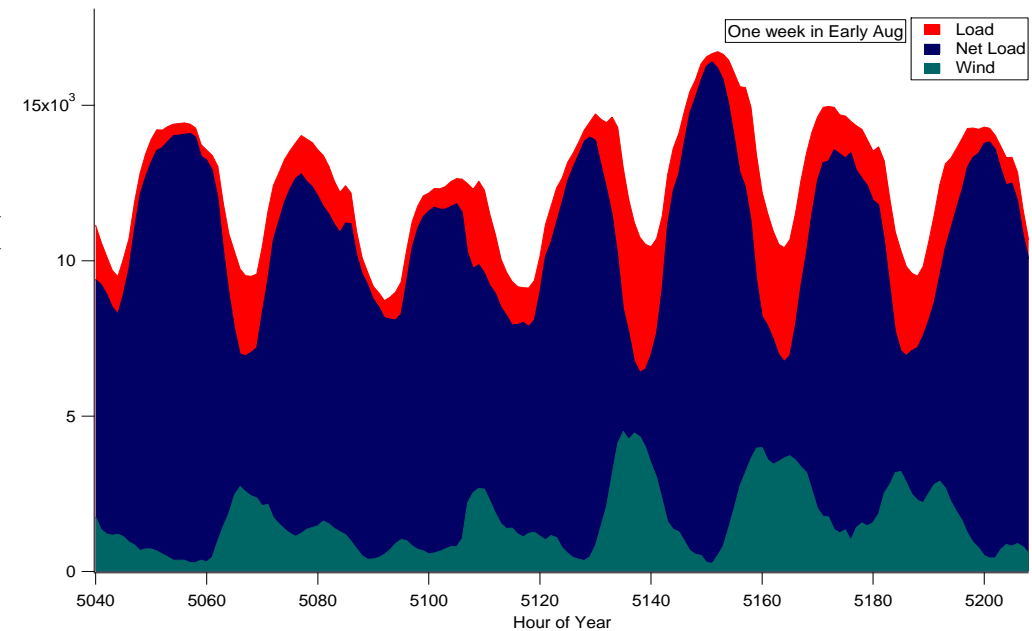
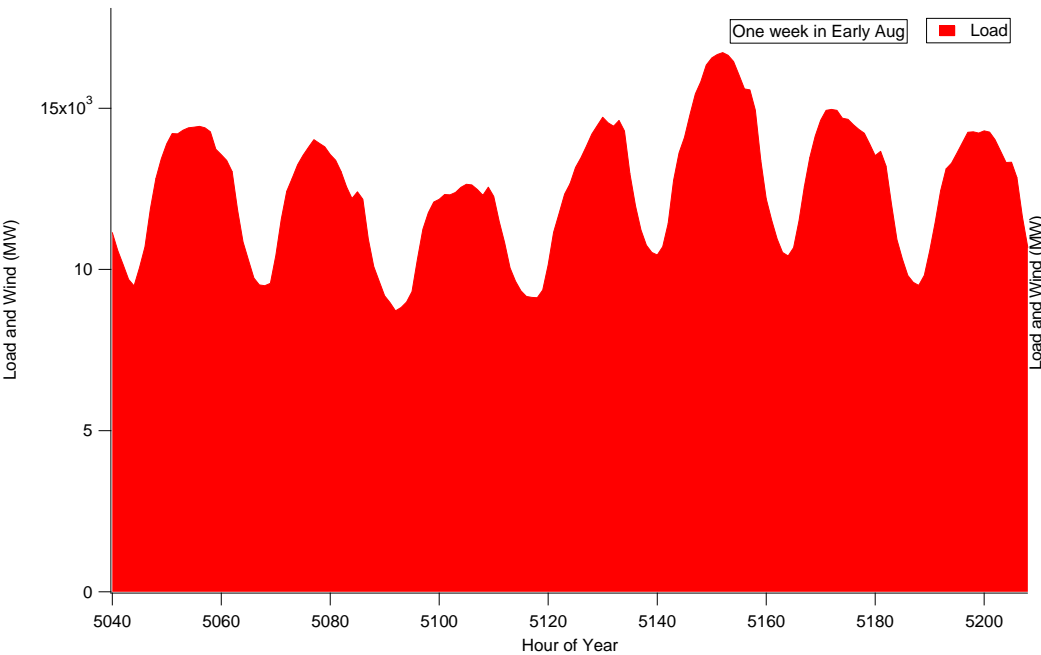
What do we know about wind integration?



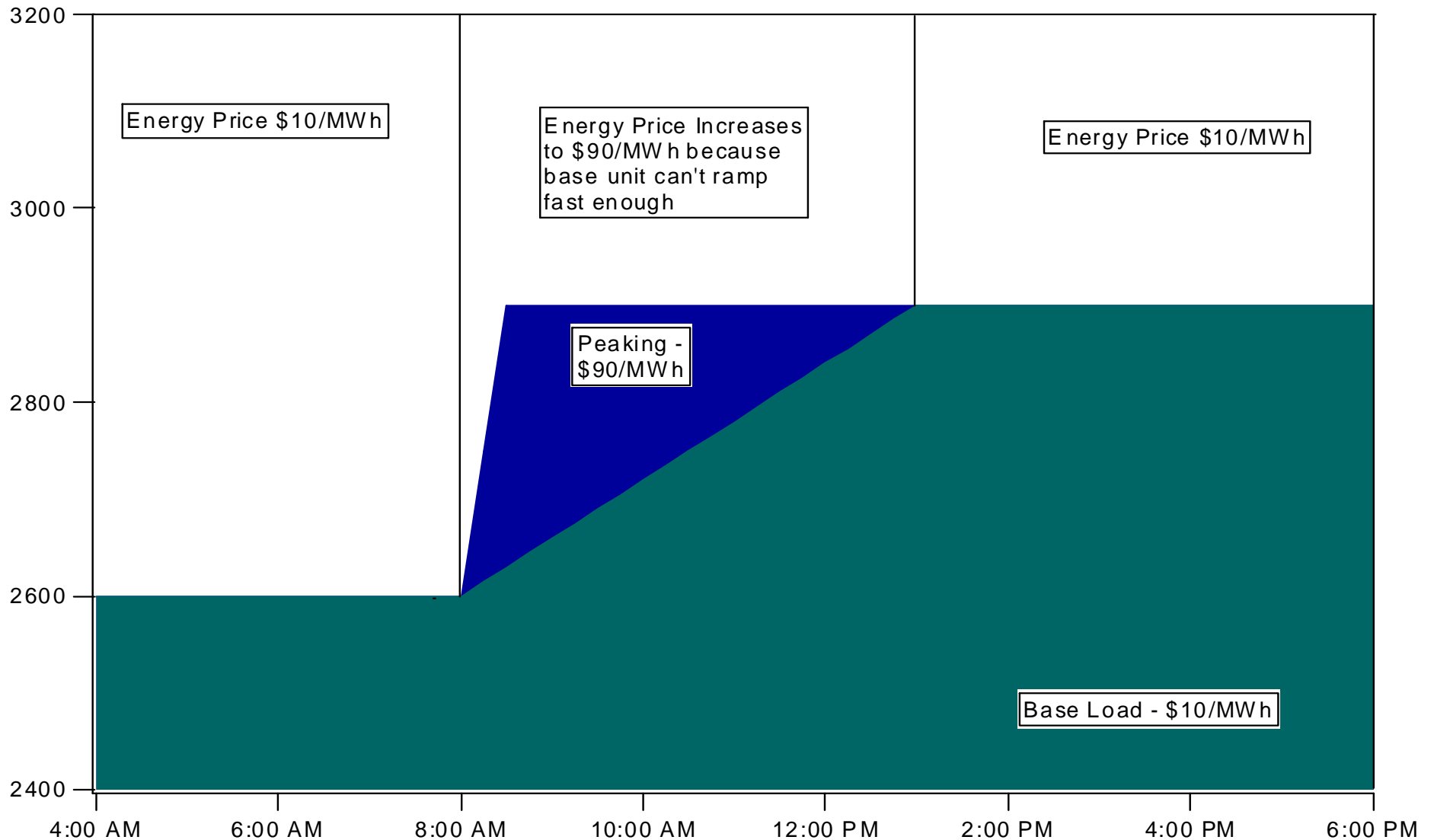
- Small regulation impact (larger in WECC w/hourly schedules)
- Load following impact is variable
- Unit commitment: need to be informed by wind and load forecasts
- Results around the world lead to consistent answers

Impact of high wind penetration

- Examples from a 25% wind energy penetration case
- Faster ramping
- Lower min-load (minimum net load: load less wind)

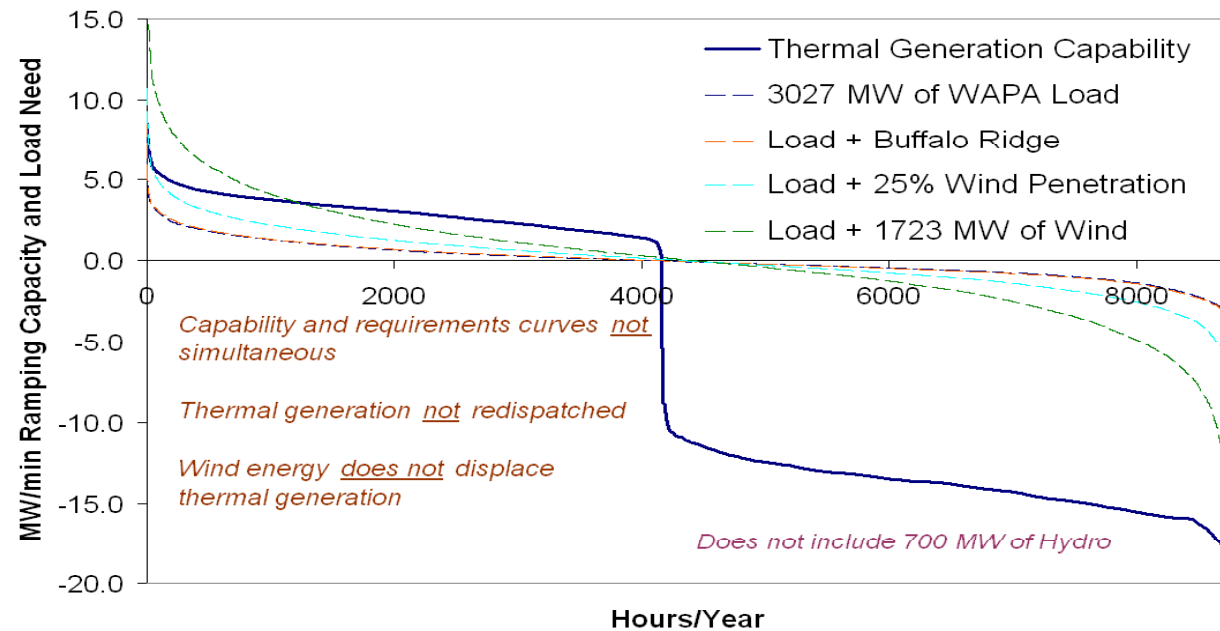


Can the non-wind fleet ramp quickly enough?



Better use of existing flexibility

- Tap into maneuverable generation that may be “behind the wall”. Conclusion: significant thermal ramping capability, when added to actual hydro ramping and pumped storage, can integrate significant level of wind ¹
- Provide a mechanism (market, contract, other) that benefits system operator and generator
- Fast energy markets help provide needed flexibility² and can often supply load following flexibility at no cost³



¹Kirby & Milligan, 2005 Methodology for Examining Control Area Ramping Capabilities with Implications for Wind

<http://www.nrel.gov/docs/fy05osti/38153.pdf>

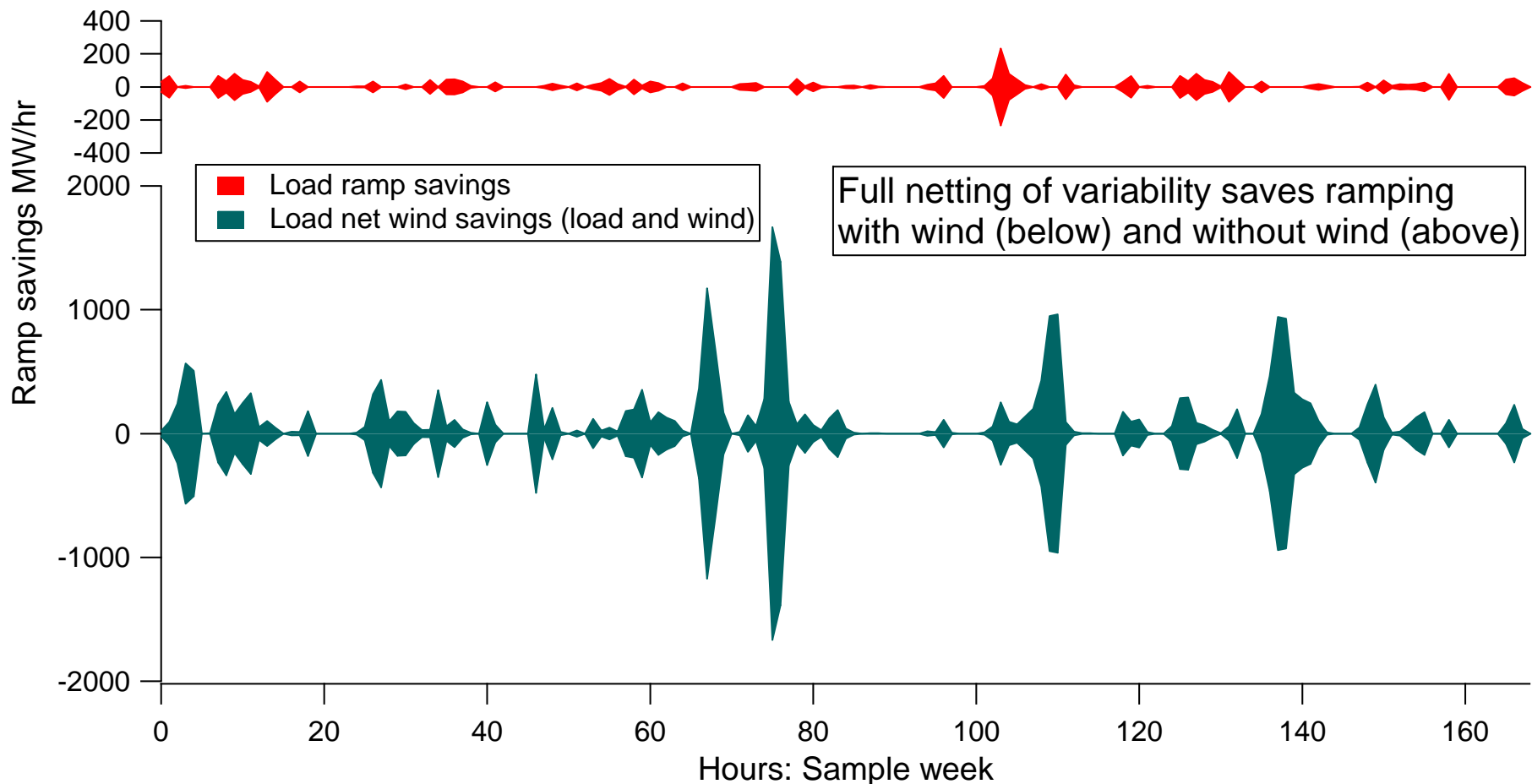
²Kirby & Milligan, 2008 Facilitating Wind Development: The Importance of Electric Industry Structure.

<http://www.nrel.gov/docs/fy08osti/43251.pdf>

³Milligan & Kirby 2007, Impact of Balancing Areas Size, Obligation Sharing, and Ramping Capability on Wind Integration . <http://www.nrel.gov/docs/fy07osti/41809.pdf>

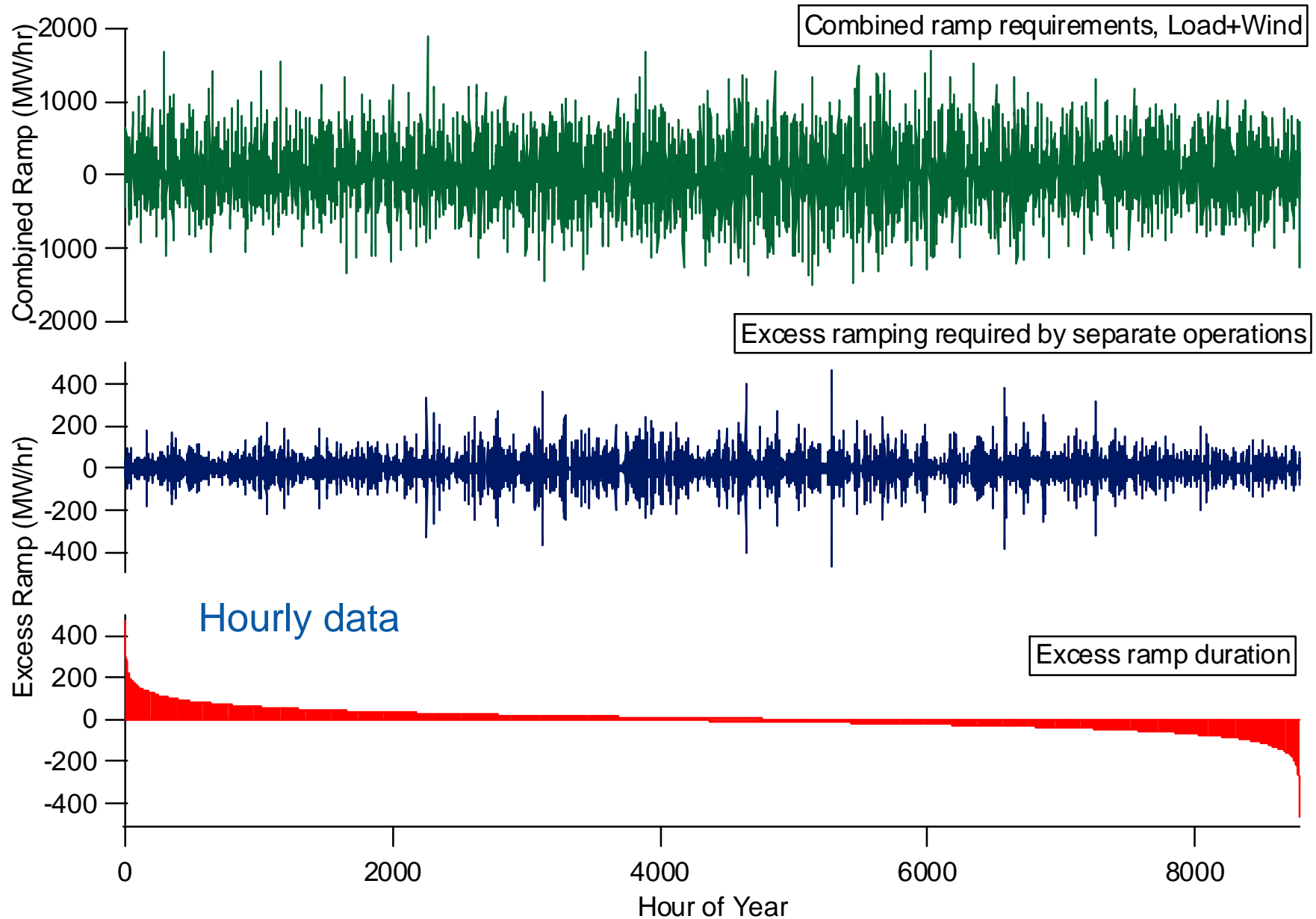
Acquire additional flexibility across BAs

- Reduce the need for ramping by combined BAs (real or virtual)
 - Ramping *capability* adds linearly
 - Ramping *need* adds less than linearly

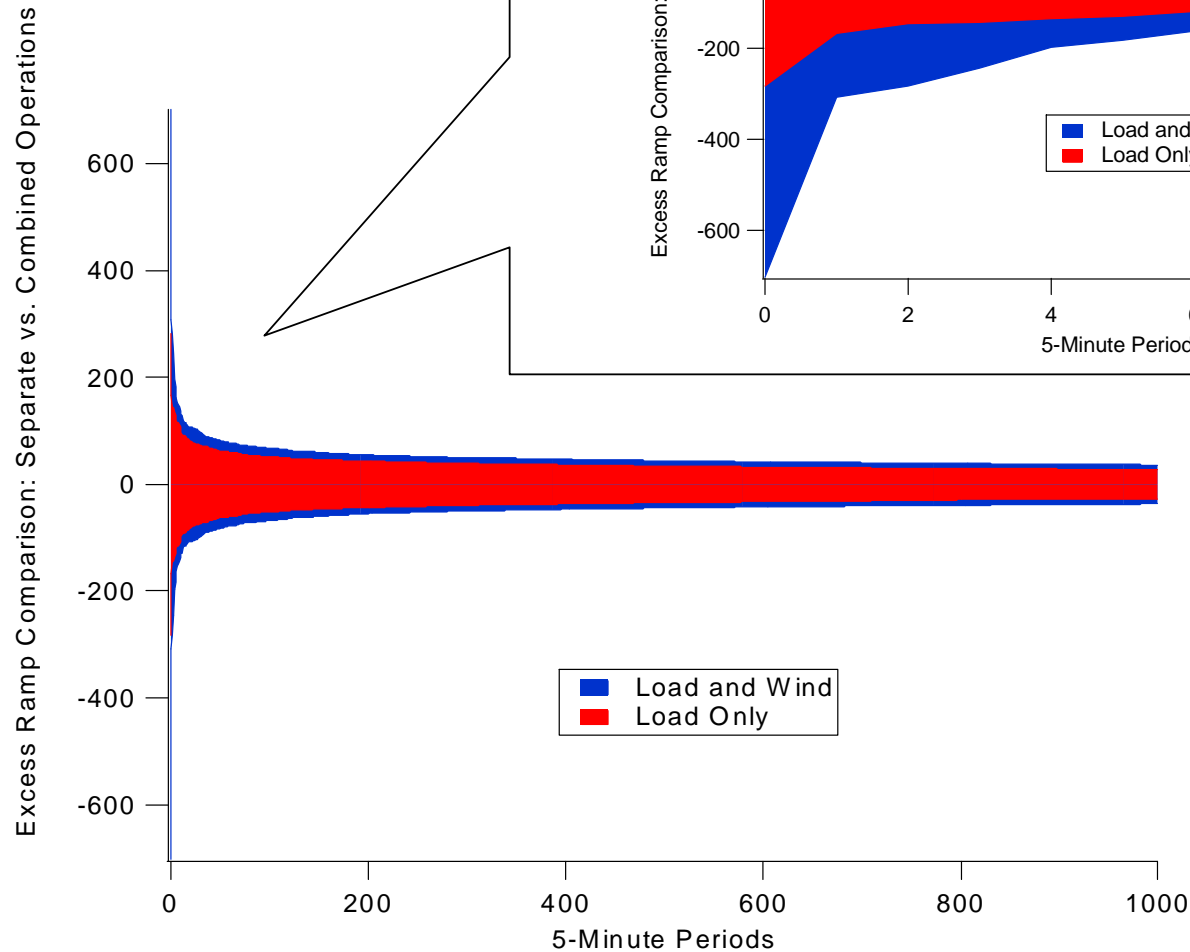


Milligan & Kirby, To Appear, and Milligan & Kirby 2007, Impact of Balancing Areas Size, Obligation Sharing, and Ramping Capability on Wind Integration . <http://www.nrel.gov/docs/fy07osti/41809.pdf>

BA variability pooling reduces ramp requirements

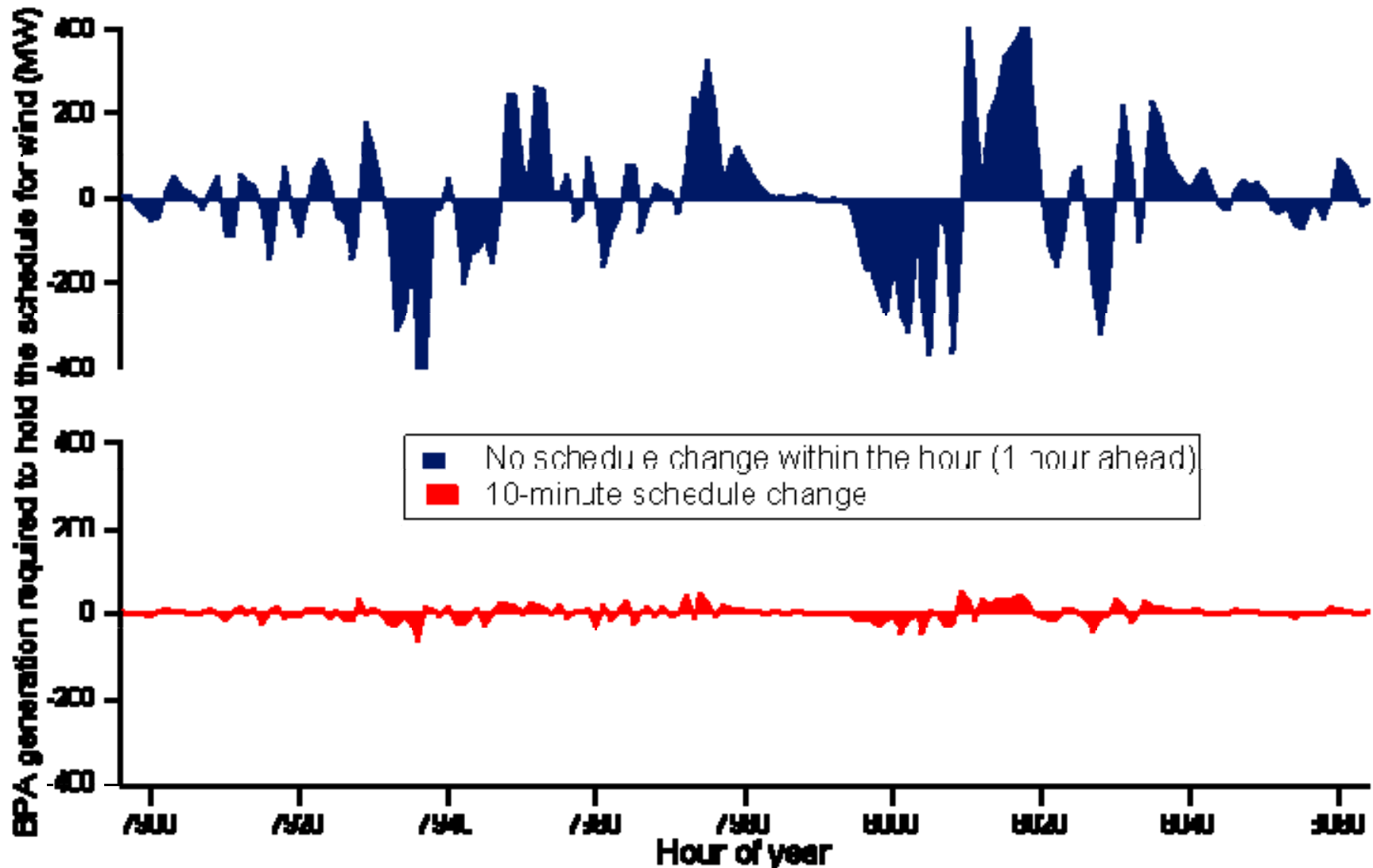


Large, infrequent 5-Minute Ramps can be significantly reduced



Milligan & Kirby 2008, An Analysis of Sub-Hourly Ramping Impacts of Wind Energy and Balancing Area Size .

Impact of hourly scheduling on inter-BA capacity requirements



Kirby, B., Milligan M. (2009) Capacity Requirements to Support Inter-Balancing Area Wind Delivery. National Renewable Energy Laboratory Technical Report. NREL/TP-550-46274. Available at <http://www.nrel.gov/docs/fy09osti/46274.pdf>.

Accommodating Wind Integration

Large BA

- ↓ Geographically Dispersed Wind
- ↓ Wind Forecasting Effectively Integrated Into System Operations
- ↓ Sub-Hourly Energy Markets
- ↓ Fast Access to Neighboring Markets
- ↓ NonSpinning and 30 Minute Reserves for Wind Event Response
- ↓ Regional Transmission Planning For Economics and Reliability
- ↓ Robust Electrical Grid
- ↓ More Flexible Transmission Service
- ↓ Flexibility in Generation
- ↓ Responsive Load
- ↓ Overall

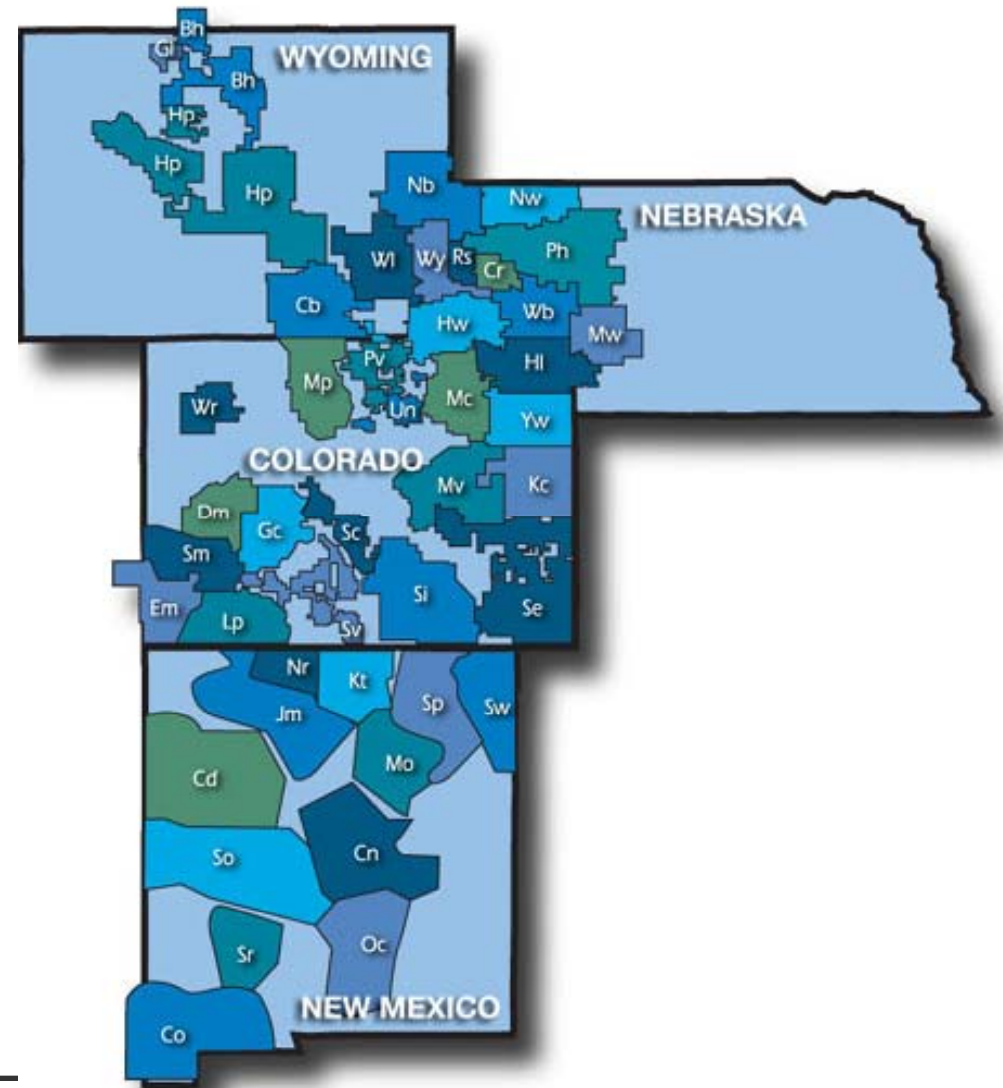
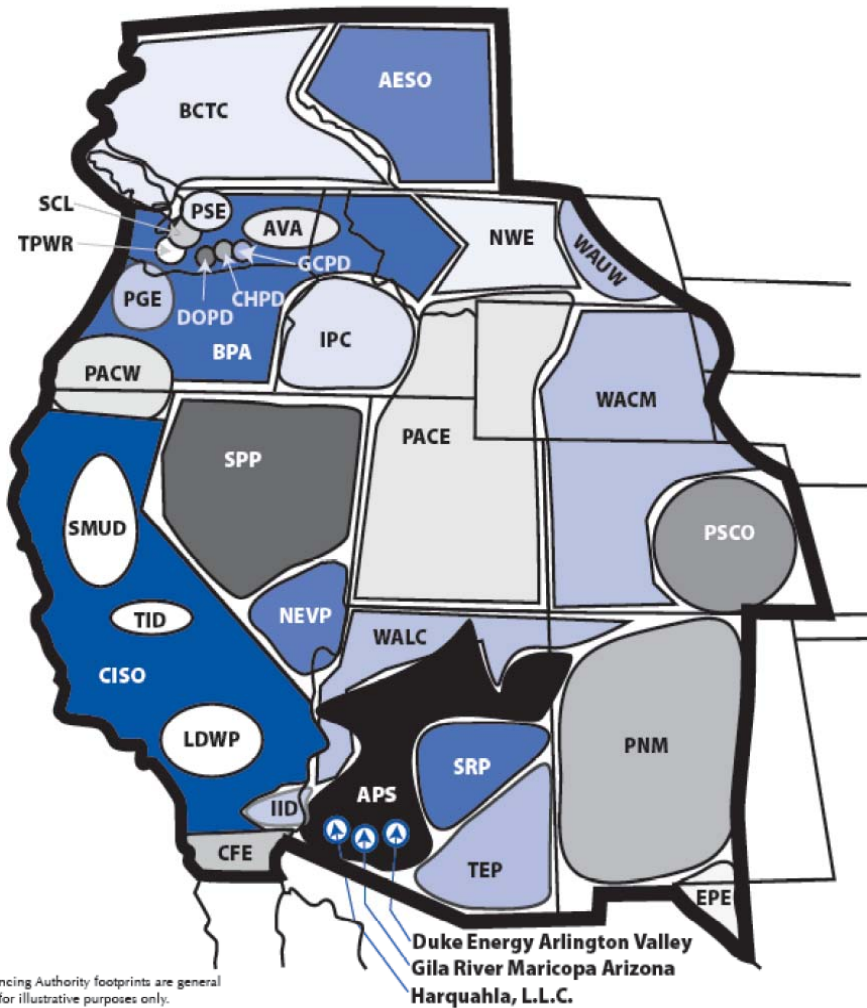
Example Utility Structures

10	8	7	10	7	2	7	6	7	7	3	7	Large RTO with spot markets
6	6	6	3	3	2	6	4	7	2	2	4	Smaller ISO
1	3	2	1	2	1	2	3	2	2	2	2	Interior west & upper Midwest (non-MISO)
7	6	6	2	2	2	5	4	2	5	2	4	Large vertically integrated utility
1	3	2	1	2	1	2	4	2	2	2	2	Smaller Vertically Integrated Local Utility
								8				Unconstrained hydro system
								3				Heavily fish constrained hydro system

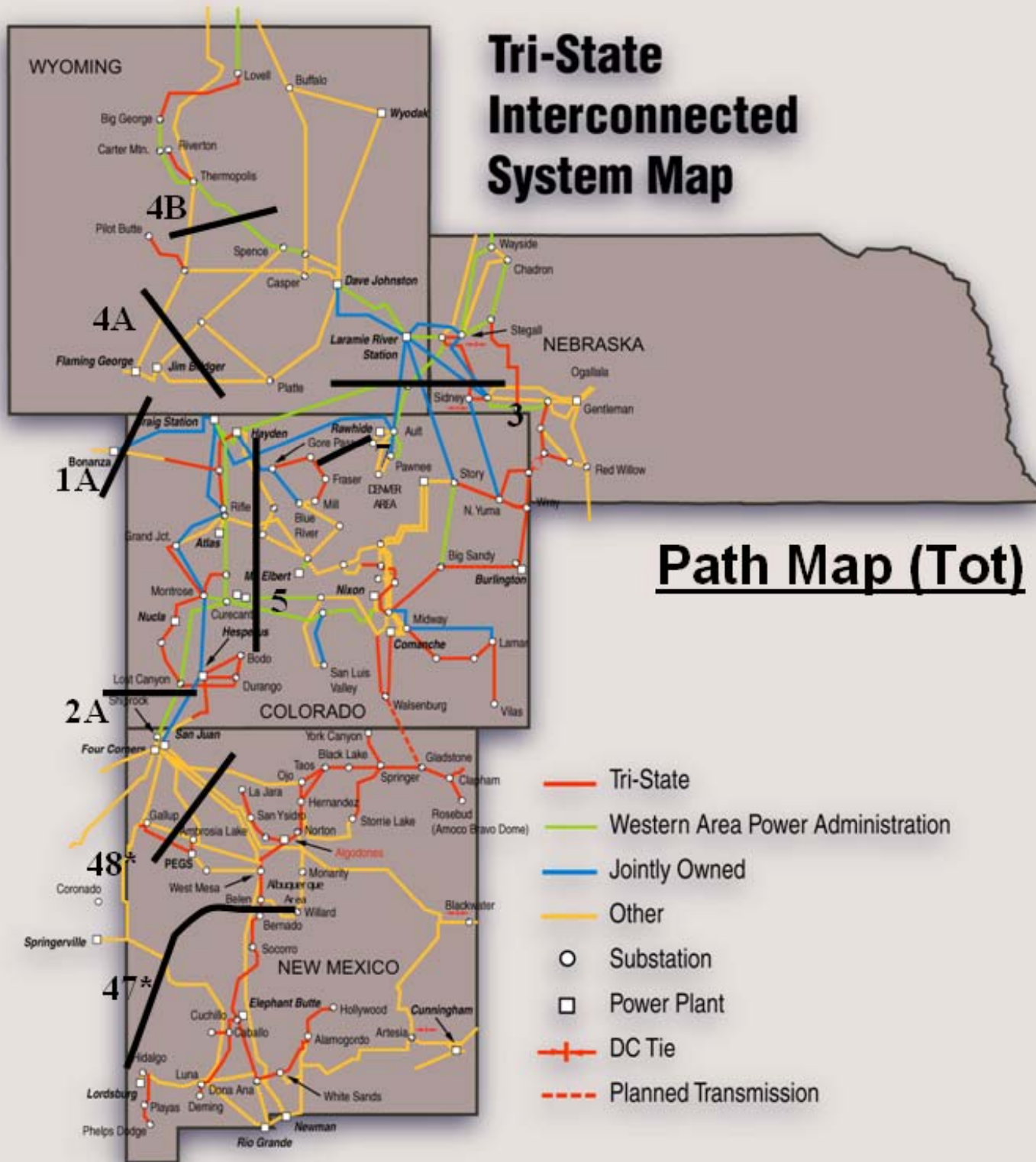
Kirby, B.; Milligan, M. (2008). Facilitating Wind Development: The Importance of Electric Industry Structure. 26 pp.; NREL Report No. TP-500-43251. <http://www.nrel.gov/docs/fy08osti/43251.pdf>

Relevance for Tri-State

Challenge of multiple balancing authorities



Tri-State Interconnected System Map



Path Map (Tot)

- Tri-State
- Western Area Power Administration
- Jointly Owned
- Other
- Substation
- Power Plant
- + DC Tie
- - - Planned Transmission

Physical Issues

Where will wind be located and delivered?

- Load-ratio share of wind to each BA?
- Opportunity to share variability with others?
 - Use dynamic schedule to pool Tri-State wind with PSCo wind → reduced per-unit variability for all
 - Similar approach for other BA's?
- Wide-area wind variability pooling with load-ratio (or other) pro-rata sharing
- Participation in ACE Diversity Interchange
- Deliver all wind to least-expensive BA, based on integration tariff
- Potential for the WECC SIS EIS to help manage variability

Hourly dispatch and scheduling

- ...will increase the challenge
 - Regulation impact is larger
 - Units that may economically respond within the hour are restricted by rules/practice from helping

Tariff/cost issues

Tariff issues

- What are integration tariffs for each relevant BA and how do costs compare?
- Some tariffs do not pass the “cost-causation” test, suggesting potential business solutions that will reduce payments even though variability is unchanged (Western is one example¹).

¹Kirby, B.; Milligan, M.; Wan, Y. (2006). Cost-Causation-Based Tariffs for Wind Ancillary Service Impacts: Preprint. 26 pp.; NREL Report No. CP-500-40073.
<http://www.nrel.gov/docs/fy06osti/40073.pdf>

Other

- Xcel/CO study indicates high value of pumped storage – examine role of WAPA pumped storage

Recommendations

- Examine alternative wind delivery and integration scenarios
- Estimate the impact of alternative delivery scenarios on different BA tariffs
- Examine potential pooling opportunities with neighboring utilities and BAs
- Continuation of the public process with periodic technical review
- Longer-term: participation in efforts to improve scheduling efficiency

Questions?

