Smart Grid & Micro Grid for Archipelagic Communities - Power Play of Policy-Industry-Capacity-Infrastructure



Mark B. Glick, Specialist on Energy Policy

# **ASEAN Smart Grid Congress**

Le Grandeur Palm Resort, Johor, Senai, Johor 3-4 December 2019

### Hawaii Natural Energy Institute (HNEI)

School of Ocean and Earth Science and Technology University of Hawaii at Manoa

- Founded as organized research unit in 1974, established in statute in 2007 - complements the state statute for the Energy Resources Coordinator and its delegate, the Hawaii State Energy Office
- 4 major funding sources; UHM, Barrel Tax, Extramural, Applied Research Laboratory
   – alternative energy via HNEI recognized as core competency for the UH ARL
- Diverse staff including engineers, scientists, lawyers; students and postdoctoral fellows seeking solutions to renewable generation & transportation fuels, grid integration, and innovation
- Combines research excellence with deep experience
  - Policy team –former Public Utilities Commissioner & State Energy Administrator
  - HNEI's GridSTART team has >120 years cumulative utility experience
  - Two of three (2 of 3) current PUC Commissioners came from HNEI



#### **Strategic Focus**

#### Support University's Hawaii Innovation Initiative

- Research, Development, Validation
- Analysis
- Policy Guidance
- Workforce Development

#### **Programs & Alliances to Replicate and Expand**

- Asia Pacific Regional Energy Systems Analysis (APRESA) supported by the Office of Naval Research - to develop resilient renewable energy systems in the Asia Pacific
- Islanded Grid Resource Center 2.0 in collaboration with Maine's Island Institute & the Renewable Energy Assistance Project of Alaska







### APRESA

HNEI is engaged with the governments and their consultants in Vietnam, Thailand, Japan and Korea on cooperative endeavors to incorporate large-scale energy efficiency, renewable energy, and advanced grid services and policies.





#### **Examples include:**

- Policy and Analytical Support under October 2019 MOU with Electricity & Renewable Energy Authority - had previously support RPS design
- Renewable Energy Outreach, Education & Training, for the Center of Regional and Urban Studies, Ho Chi Minh City
- *Grid Modeling and Integration Analysis & Planning* for EREA (Vietnam) and the Electric Generating Authority Thailand
- Energy Venture & Innovation Support with and for the Vietnam Ministry of Science and Technology (MoST)



## The Global Smart Grid Market...

... is expected to grow around USD 70 billion at a compound annual growth rate of 15.56% through 2027.

North America is expected to hold the largest share in global <u>Smart Grid Market</u> through the forecast period i.e. 2018-2027. Increased and early adoption for smart grid is expected to support significant market growth.

> SOURCE: Research Nester: https://www.researchnester.com/sa mple-request-1361

## Southeast Asia's Smart Grid Framework

- Navigant Research's assessment of future Southeast Asia grid revenue growth will more than double from roughly US\$5.5 billion in 2018 to nearly US\$13.0 billion in 2027 - this assumes a compound annual growth rate (CAGR) of 9.7%.
- Due to impacts of urbanization, population growth and consumption patterns, Vietnam and Indonesia are in the early stage of this growth, while Malaysia and Singapore are building their reputations as regional innovators.
- For Indonesia, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam, and the rest of Southeast Asia, we expect policies supporting this growth to include smart grid and related communications networks.

# **Smart Energy Transition Approach**

- Governance (binding obligations & oversight)
- 2) Energy Efficiency
- 3) Smart, Modern Grids
- 4) Renewable Resources & Energy Storage

RPS, Regulatory EEPS, DR AMI, IT, Big Data Diversified RE



Hawaii Natural Energy Institute

### FACT SHEET: Mission Innovation

The White House

November 29, 2015

- 20 countries (when announced) now 24 countries + European Commission
- Representing 80 percent of global clean energy R&D budgets
- Commit to double their respective R&D investments over five years.

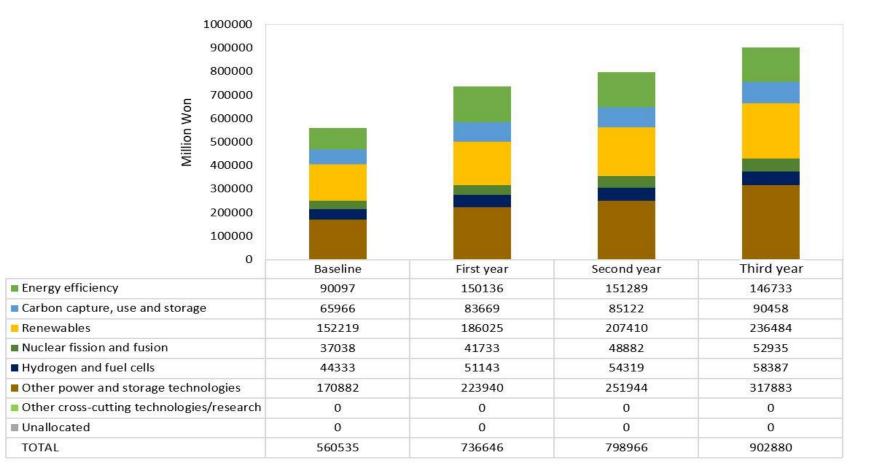


United States

#### Republic of Korea Ministry of Trade, Industry, and Energy (MOTIE)

#### **Progress towards doubling public investment**

Country-determined baseline year: FY 2016 Doubling target year: FY 2021 Baseline funding amount: USD \$490 million Doubling target amount: USD \$980 million



### International Energy Joint R&D Projects under Mission Innovation in South Korea

- In September of 2018, South Korea launched a new <u>international joint research competition</u>, specifically dedicated to... boost collaboration between MI member countries and South Korea. Funding: up to \$1 million/1 billion KRW per year (up to 3 years).
- Funding supports R&D cooperation among South Korean companies, universities and research institutes and their foreign partners.
- Projects promote international technology cooperation, stimulate national energy technology competitiveness and create new energy market by laying the foundation for overseas market entry.
- Funding amounts: up to \$1 million per year (up to 3 years)

#### Hawaii - South Korea Alliance

- In August of 2015, State of Hawaii and the Korea Institute of Energy Technology Evaluation and Planning (KETEP) signed an MOU to cooperate in the development of green energy technology.
- In 2017, HNEI responded to a KETEP solicitation and received an award to conduct a feasibility study on Korean microgrid platforms in three potential Hawaii sites under KETEP's International Energy Collaborative Research and Development Program.
- On the most promising of the 3 sites, HNEI formed a six-party alliance in summer of 2018 to apply for KETEP Mission Innovation grant funding
- The international Alliance wins KETEP grant award in October for a 3year project from November 2018 to June of 2021, work begins...



## Potential NELHA Microgrid Use Cases

MG Domain	Business Key Features	UC nº	Name of the Use Case
Duilding (	<ul> <li>Off-grid self-consumption capacity</li> <li>Maximizing consumption of locally generated power</li> <li>Reducing demand charges &amp; costs via demand side management</li> <li>Maximizing low-cost self consumption distributed resources as a primary objective</li> <li>Long Term: Time of use and real-time pricing management</li> </ul>	1	Managing building energy flexibility
Building / End Use Customers (in		2	Flexibility and DSM for efficiency and price control
the Research Campus and Farm Compound)		3	Increased percentage of self- consumption
		4	Optimized energy procurement
Microgrid (MG) and Grid Operation	<ul> <li>Optimizing the NELHA MG network for greater coste- efficiency and resiliency.</li> <li>Uninterruptable service with ESS + PV + backup generation + DSM for MG optimization and continuity of operation</li> </ul>	5	Microgrid PV Management
		6	Microgrid Emergency Response Mode

#### Hawaii-Korea Microgrid Project Overview Deployment and Operation of "Smart" Microgrid Featuring Distributed Resources with Resilience in Off-grid Events

Al-Based

Cloud EMS

- Apply **big data / reinforcement learning** based prediction and optimization algorithms
- Development of **system scalability** through local EMS interworking
- Design & deploy power trading model and service

**Microgrid System** 

Operation

Microgrid system design

& on-site engineering for

PV, ESS, Control system

• Install & operate Al-based

value and system stability

cloud/local EMS

Analysis of empirical

results on economical

- •Coordinated control for DG, diesel back-up generator, PV+ESS to maximize off-grid operation time
- •Real-time **Simulator (RTDS)-based system** simulation and algorithm verification
- Includes microgrid optimal design methodology

Off-Grid Operation

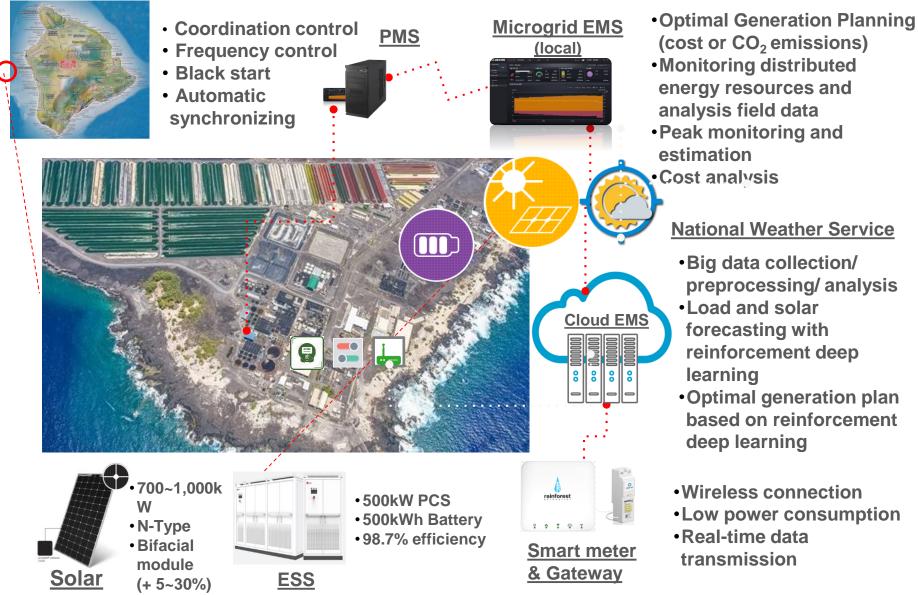
REGULATIO

**Business Model** 

- Integration of policies, statutes & regulations
- •<u>Guidelines</u> for microgrid business models
- •Creation of a replicable, localized **new energy service model**

Supporting Hawaii's drive for 100% renewable energy through deployment of locally optimized microgrid operation technology

## **Featured Innovations**



#### Thank you!

Mark B. Glick mbglick@hawaii.edu HNEI.Hawaii.edu

