

U.S. DEPARTMENT OF ENERGY

# Energy Storage Grand Challenge

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# Use Cases Workshop

MAY 13, 2020



U.S. DEPARTMENT OF  
**ENERGY**

# Questions

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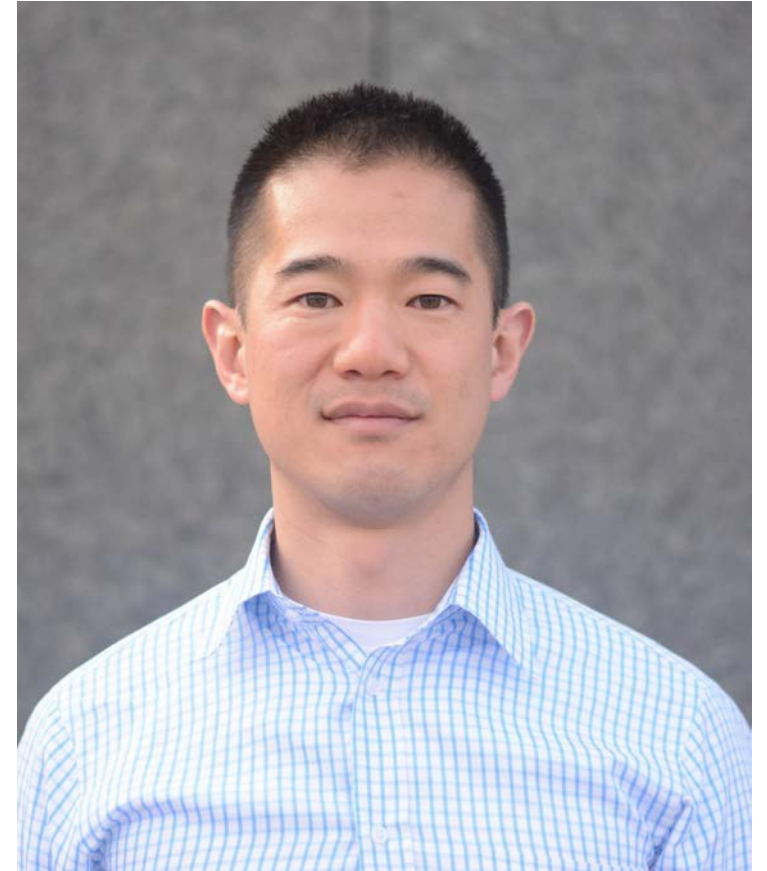
Please submit your questions in the Chat box to the host. Reference the speaker or topic.



# Welcome and Opening Remarks

Eric Hsieh

Office of Electricity  
U.S. Department of Energy

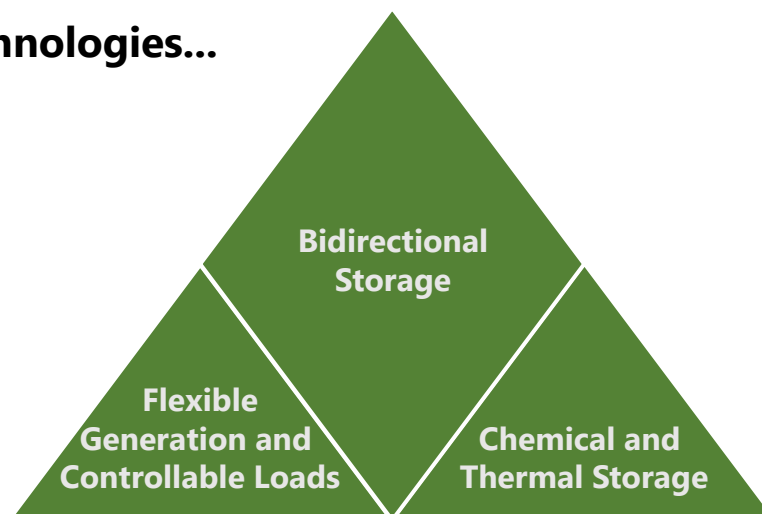


# ESGC Vision, Mission, and Scope

DOE-wide strategy to accelerate US leadership in energy storage technologies

- Coordinated across DOE:

**technologies...**



**...offices...**

- Office of Electricity
- Energy Efficiency and Renewable Energy
- Office of Science
- Office of Technology Transitions
- Nuclear Energy
- Fossil Energy
- ARPA-E
- Loan Programs Office

**...and functions.**

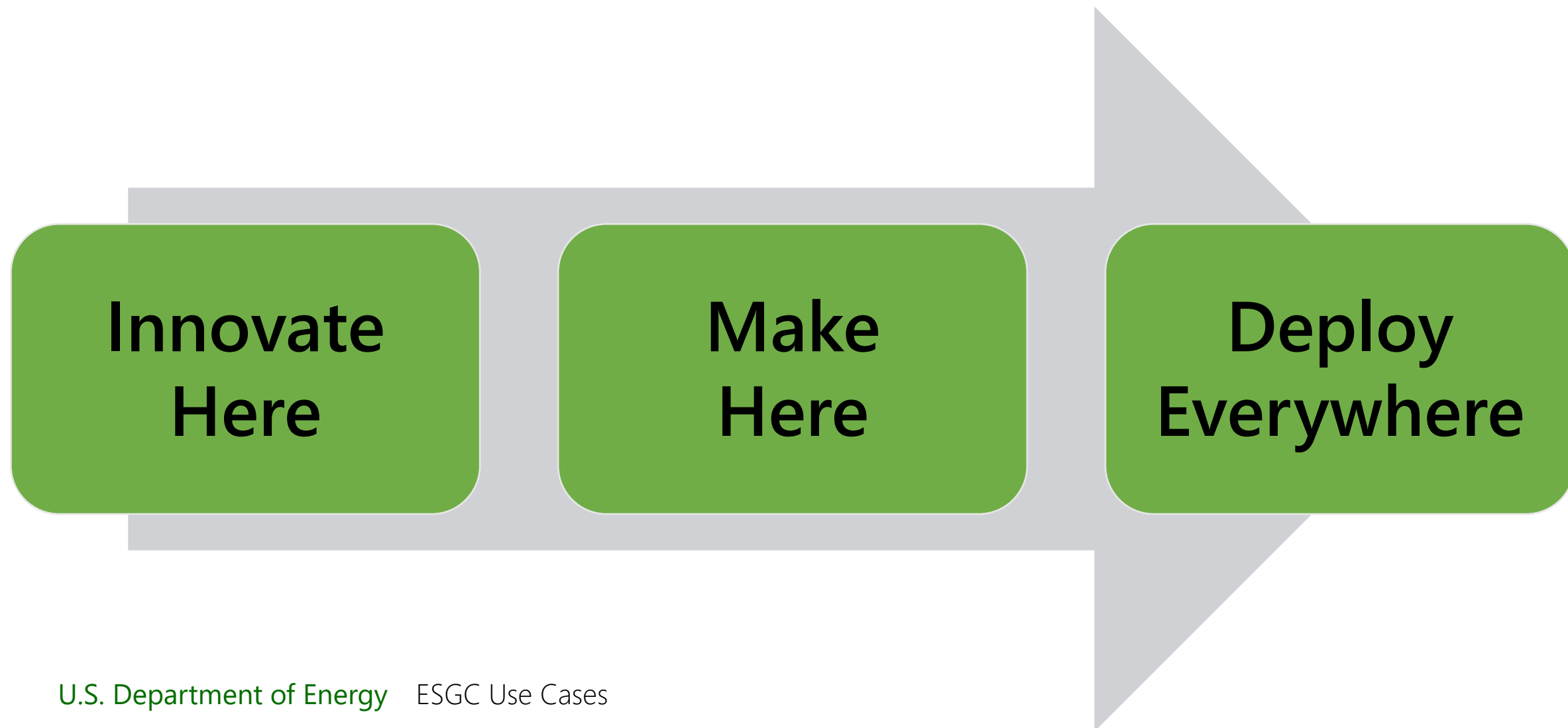


# ESGC Focus Areas

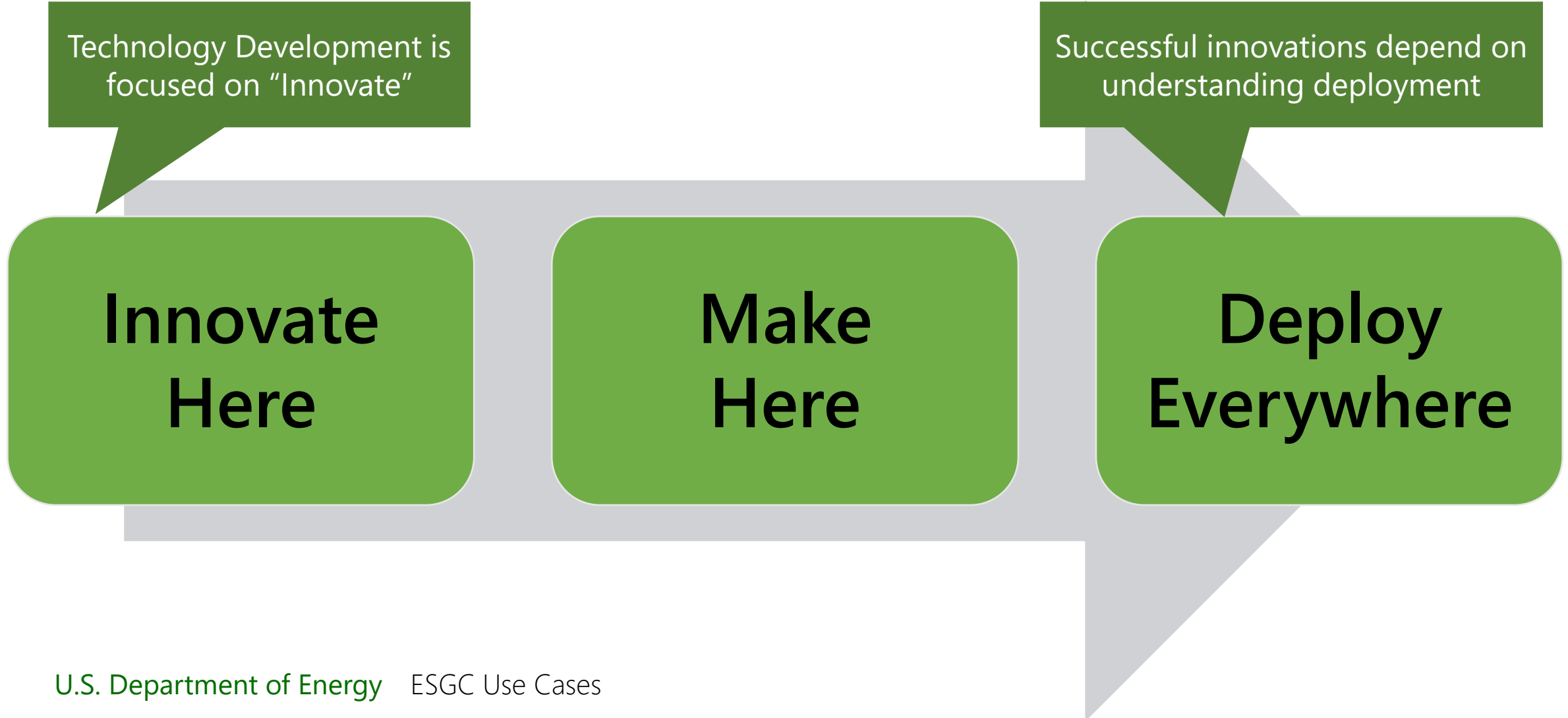
## Five tracks to achieve US leadership in energy storage

Technology Development	Domestic Manufacturing and Supply Chain	Technology Transition	Policy and Valuation	Workforce Development
<ul style="list-style-type: none"><li>• Establish ambitious, achievable performance goals, and a comprehensive R&amp;D portfolio to achieve them.</li></ul>	<ul style="list-style-type: none"><li>• Design new technologies to strengthen U.S. manufacturing, recyclability, and reduce dependence on foreign sources of critical minerals.</li></ul>	<ul style="list-style-type: none"><li>• Accelerate the technology pipeline from research to system design to private sector adoption through rigorous system evaluation, performance validation, siting tools, and targeted collaborations.</li></ul>	<ul style="list-style-type: none"><li>• Develop best-in-class models, data, and analysis to inform the most effective value proposition and use cases for storage technologies.</li></ul>	<ul style="list-style-type: none"><li>• Train the next generation of American workers to meet the needs of the 21st century grid and energy storage value chain.</li></ul>

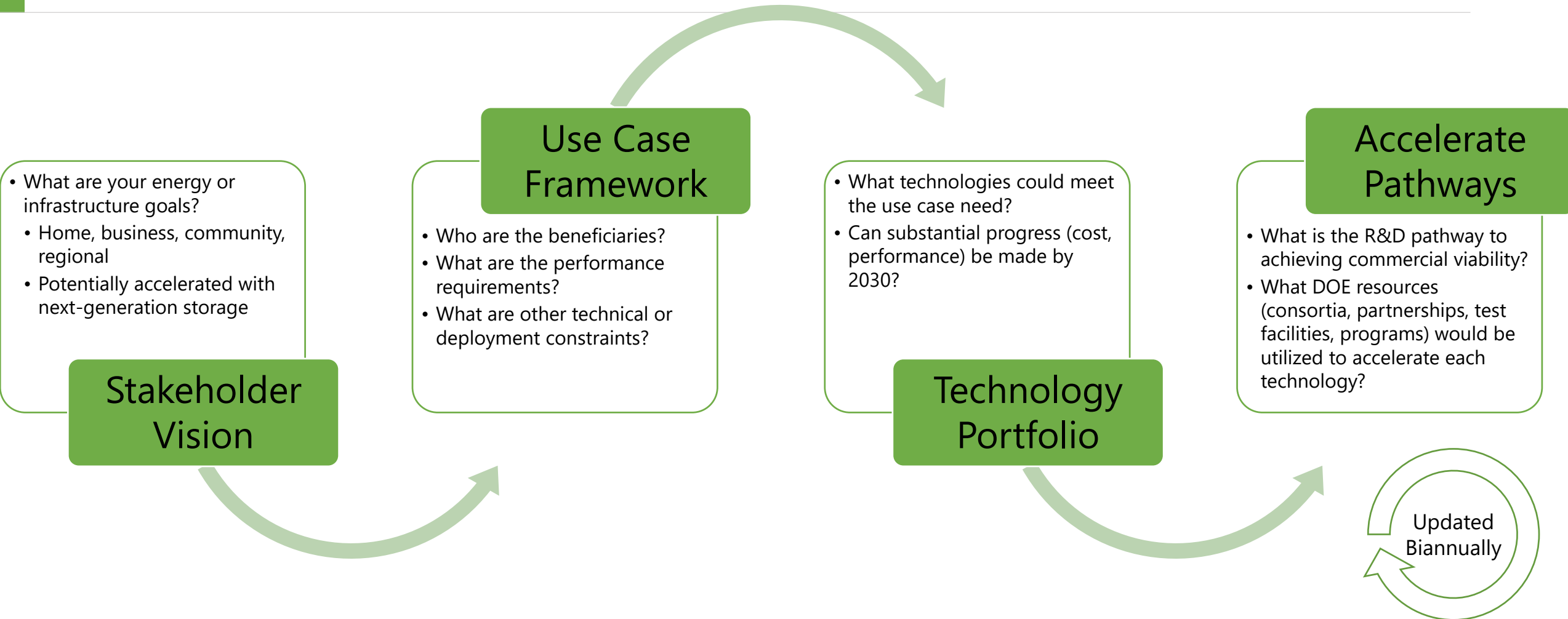
# ESGC in Summary



# Technology Development

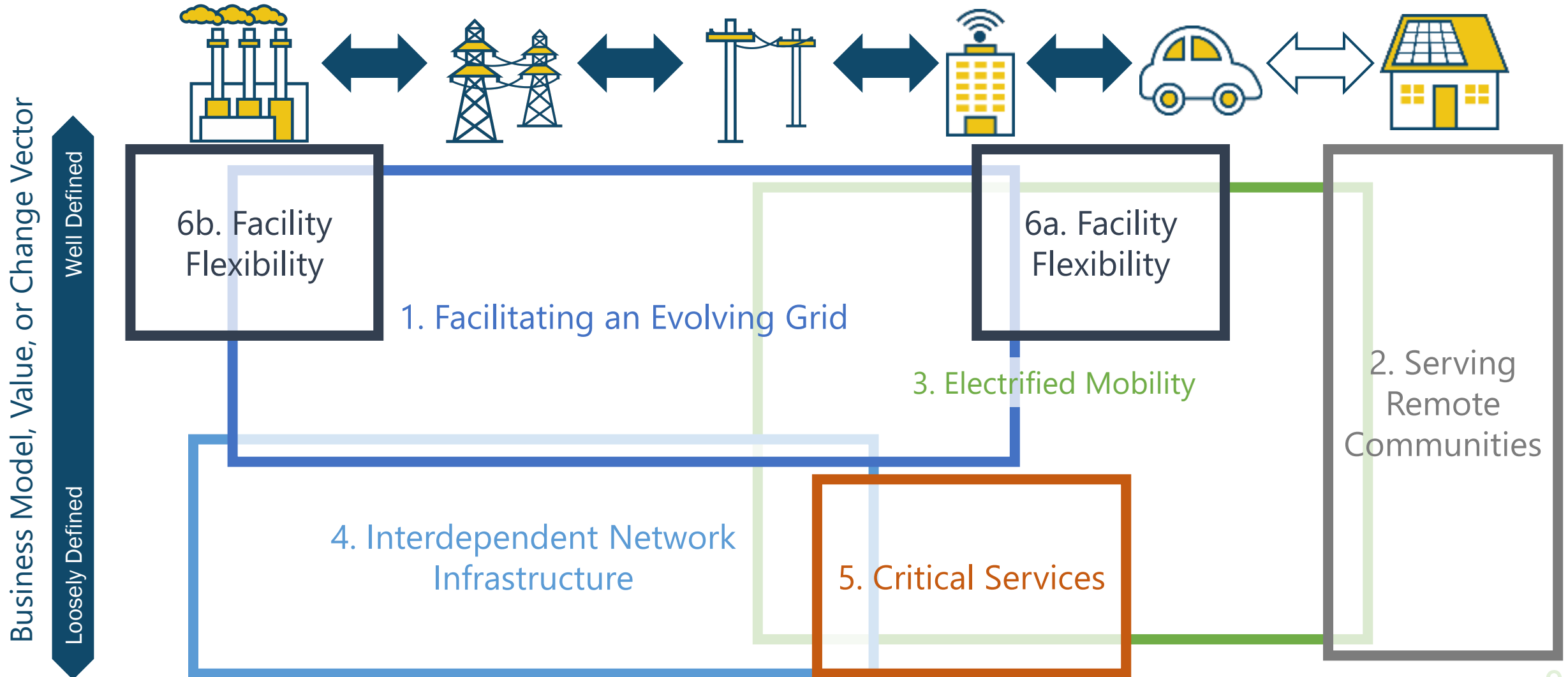


# Use Case-Informed R&D Framework

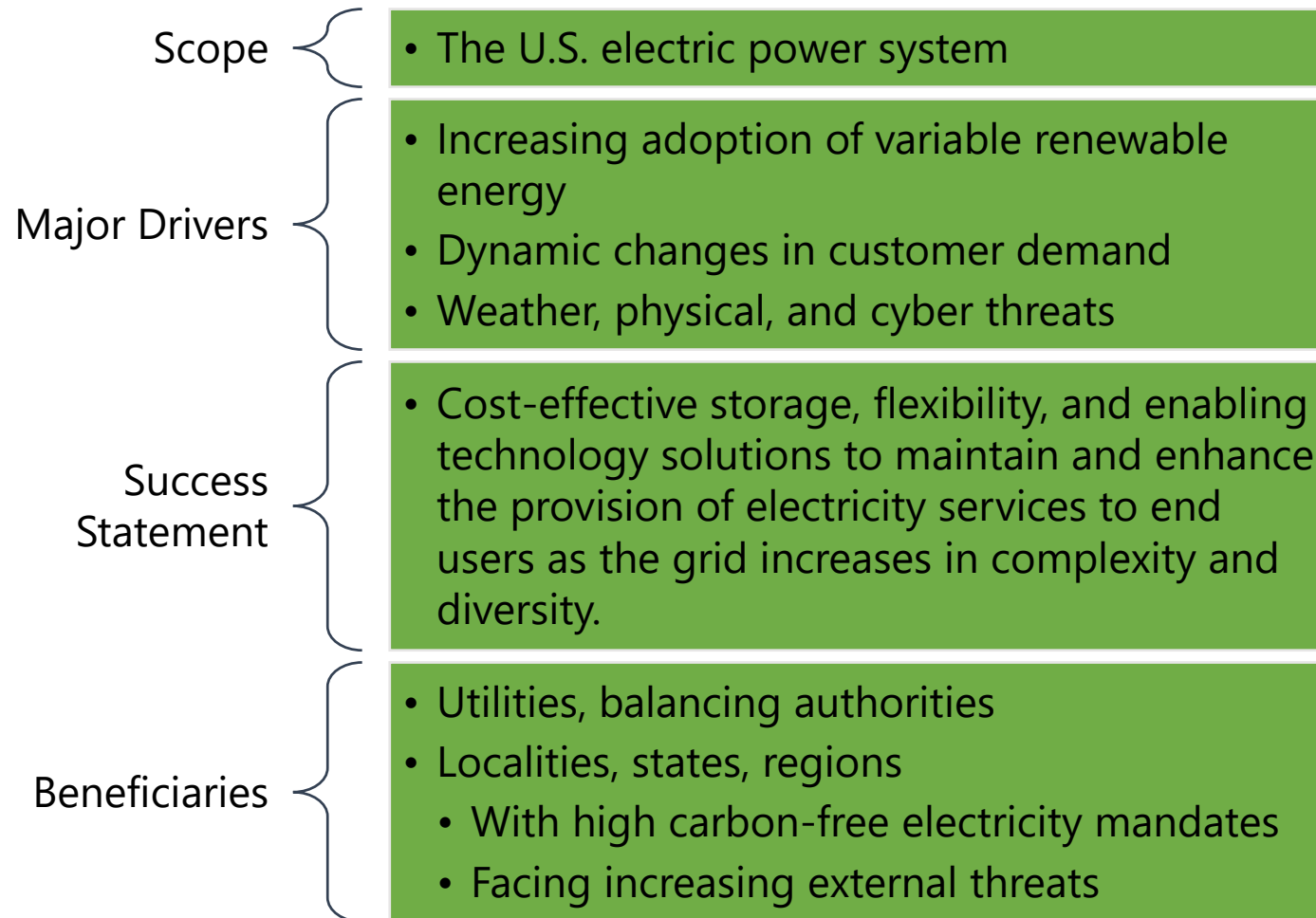




# ESGC Use Cases



# 1. Facilitating an Evolving Grid



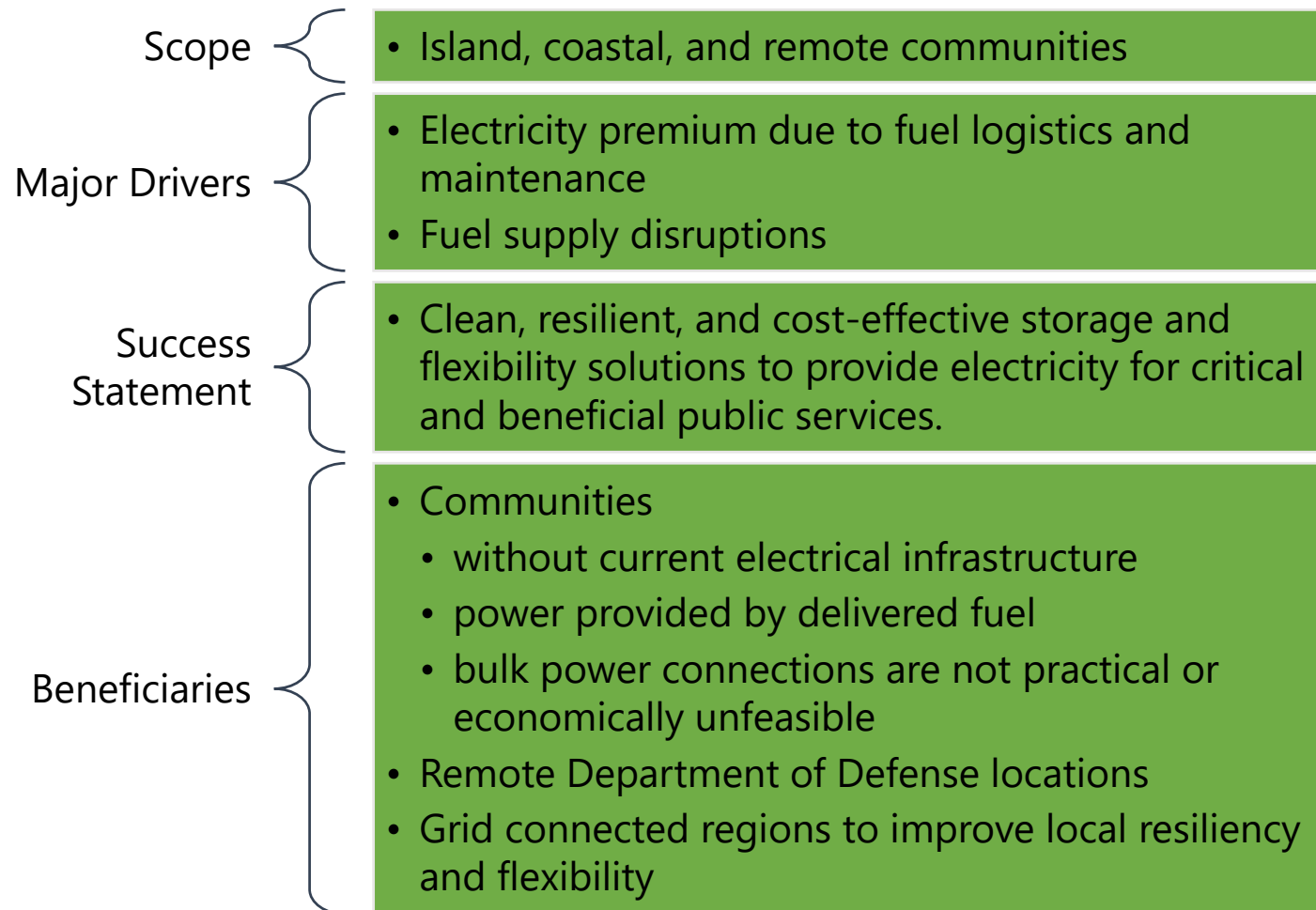
Brattle estimated the benefit of distribution investment deferral at \$14/kW-year [in Texas]; Edgette et al. estimated \$104/kW-year [in Minnesota]; Maitra et al. estimated \$9/kW-year [in the LADWP area]

Balducci, Patrick J., et al. "Assigning value to energy storage systems at multiple points in an electrical grid." *Energy & Environmental Science* 11.8 (2018): 1926-1944.

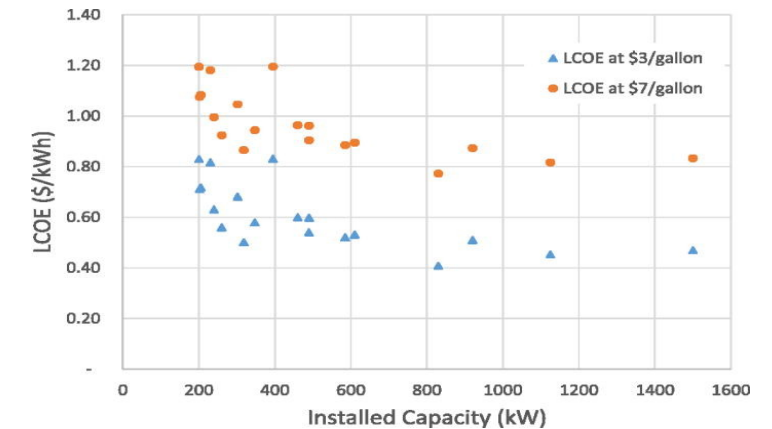
*"...energy storage capacity costs below a roughly \$20/kWh target would allow a wind-solar mix to provide cost-competitive baseload electricity in resource-abundant locations..."*

Ziegler, Micah S., et al. "Storage requirements and costs of shaping renewable energy Toward grid decarbonization." *Joule* 3.9 (2019): 2134-2153.

## 2. Serving Remote Communities



Levelized cost of electricity for Alaskan Communities under different fuel costs



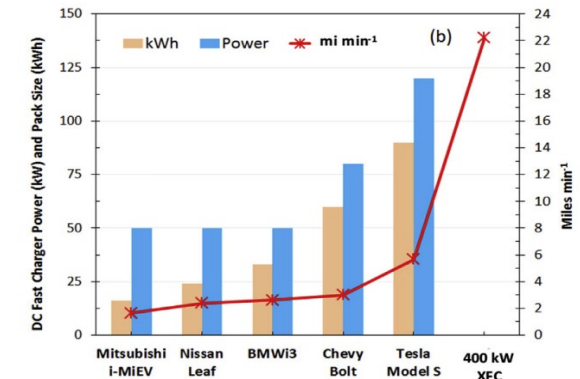
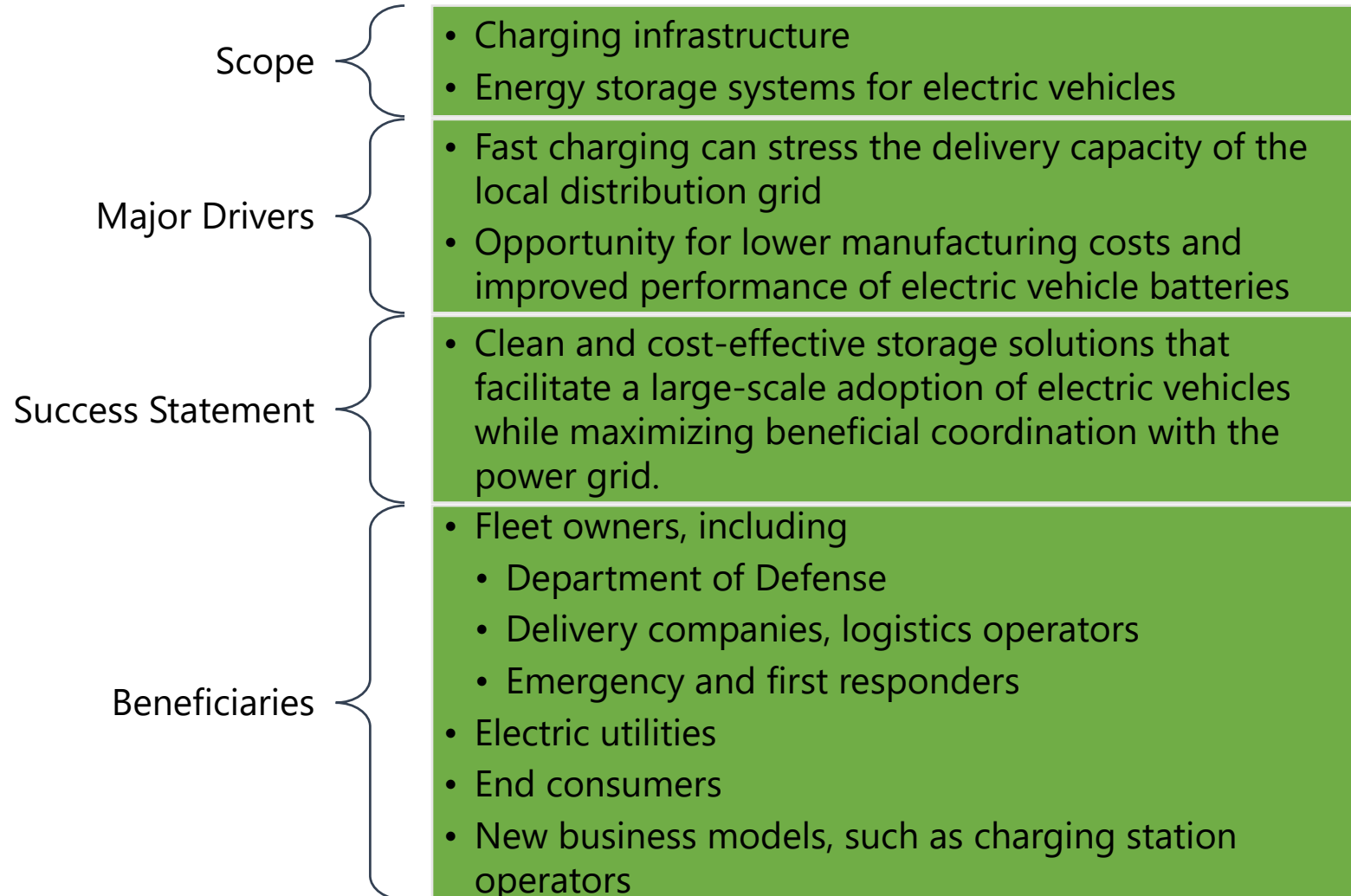
Nathan Green; Marc Mueller-Stoffels; Erin Whitney; Journal of Renewable and Sustainable Energy 9, 061701 (2017) DOI: 10.1063/1.4986585



*"Oregon's Office of Emergency Management encourages people to be prepared to be on their own for a minimum of two weeks."*

<https://www.oregon.gov/OEM/hazardsprep/Pages/2-Weeks-Ready.aspx>

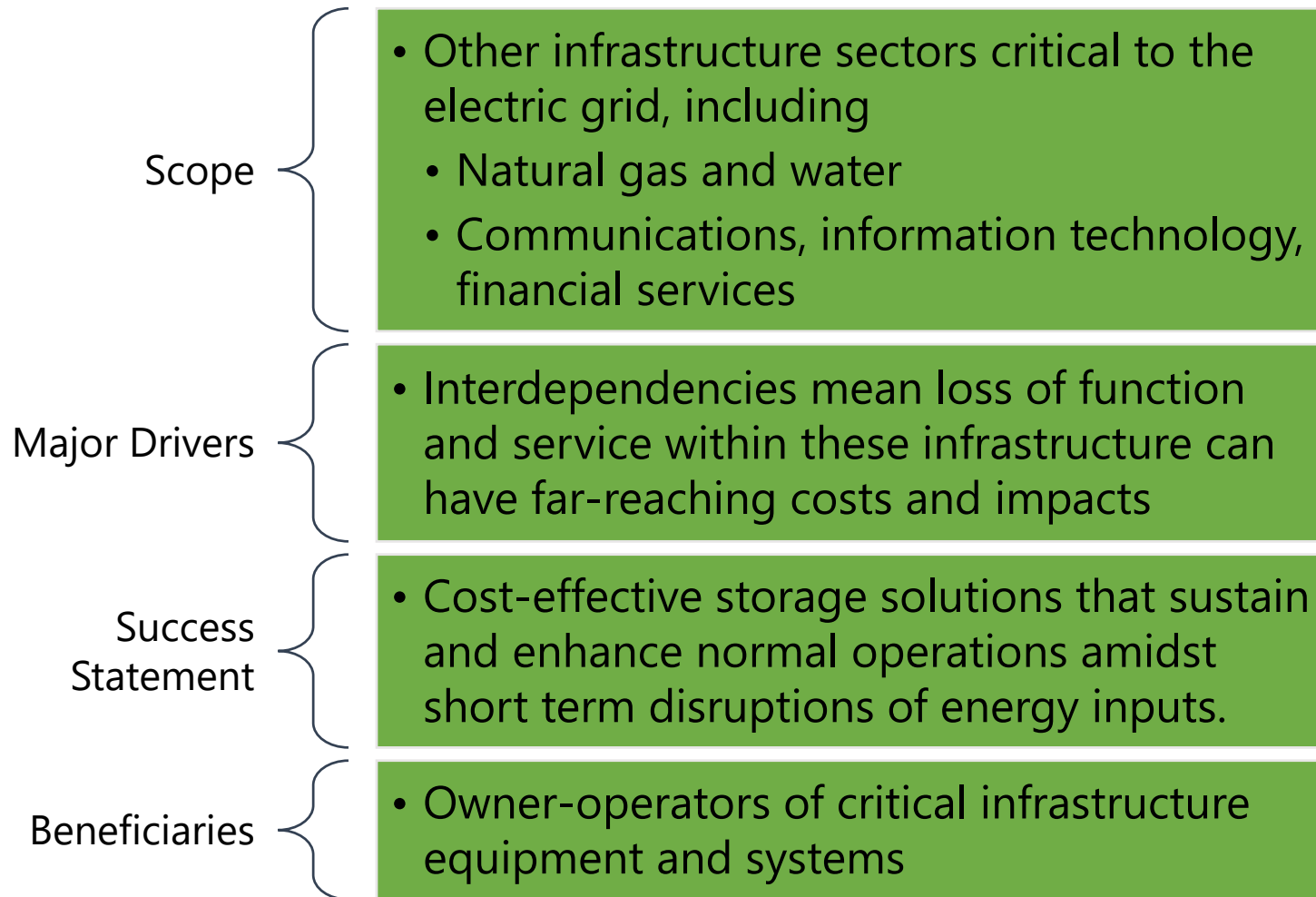
# 3. Electrified Mobility



*"During high use times, multiple XFC events may occur either simultaneously at a single location or back-to-back at the same location. An effective energy storage solution would need to be able to buffer both the power and energy demands of such a station."*

USDOE, "Enabling Fast Charging: A Technology Gap Assessment" October 2017

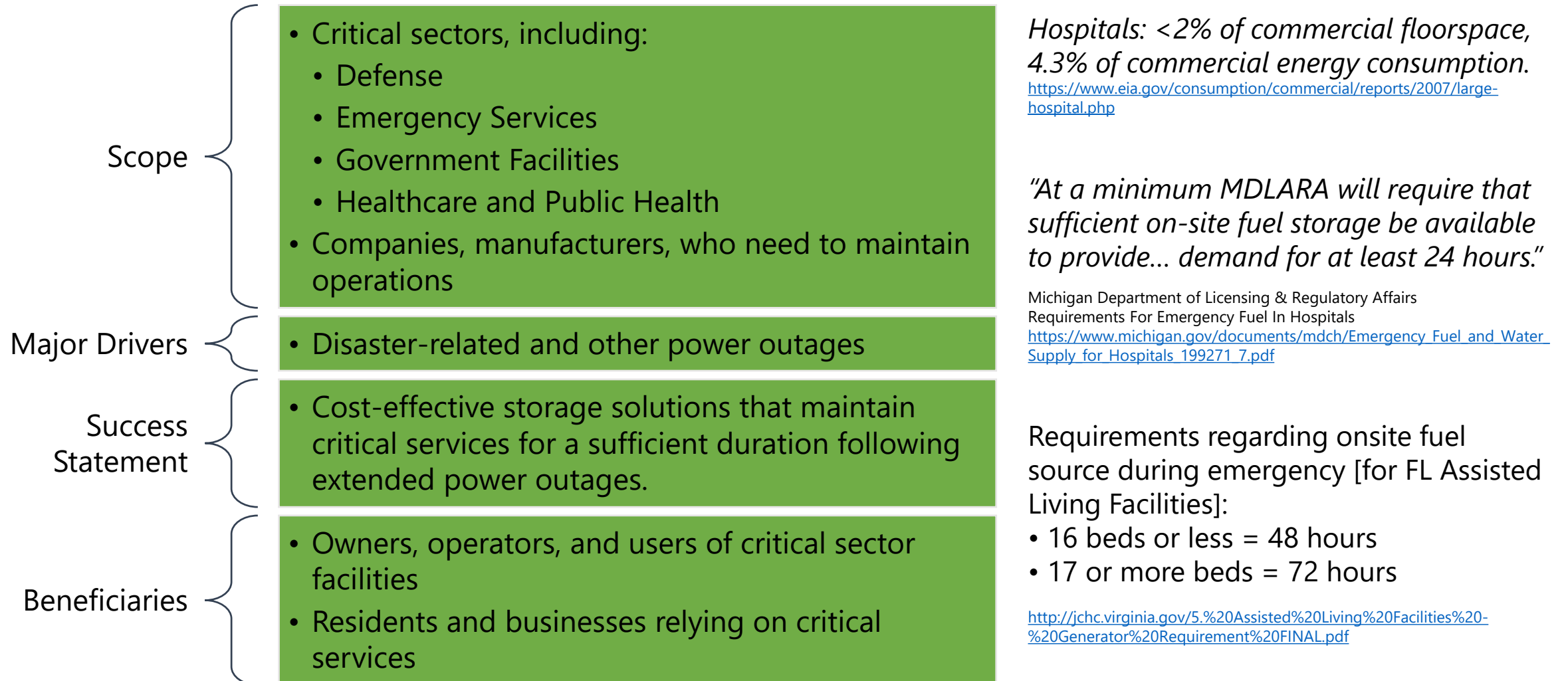
# 4. Interdependent Network Infrastructure



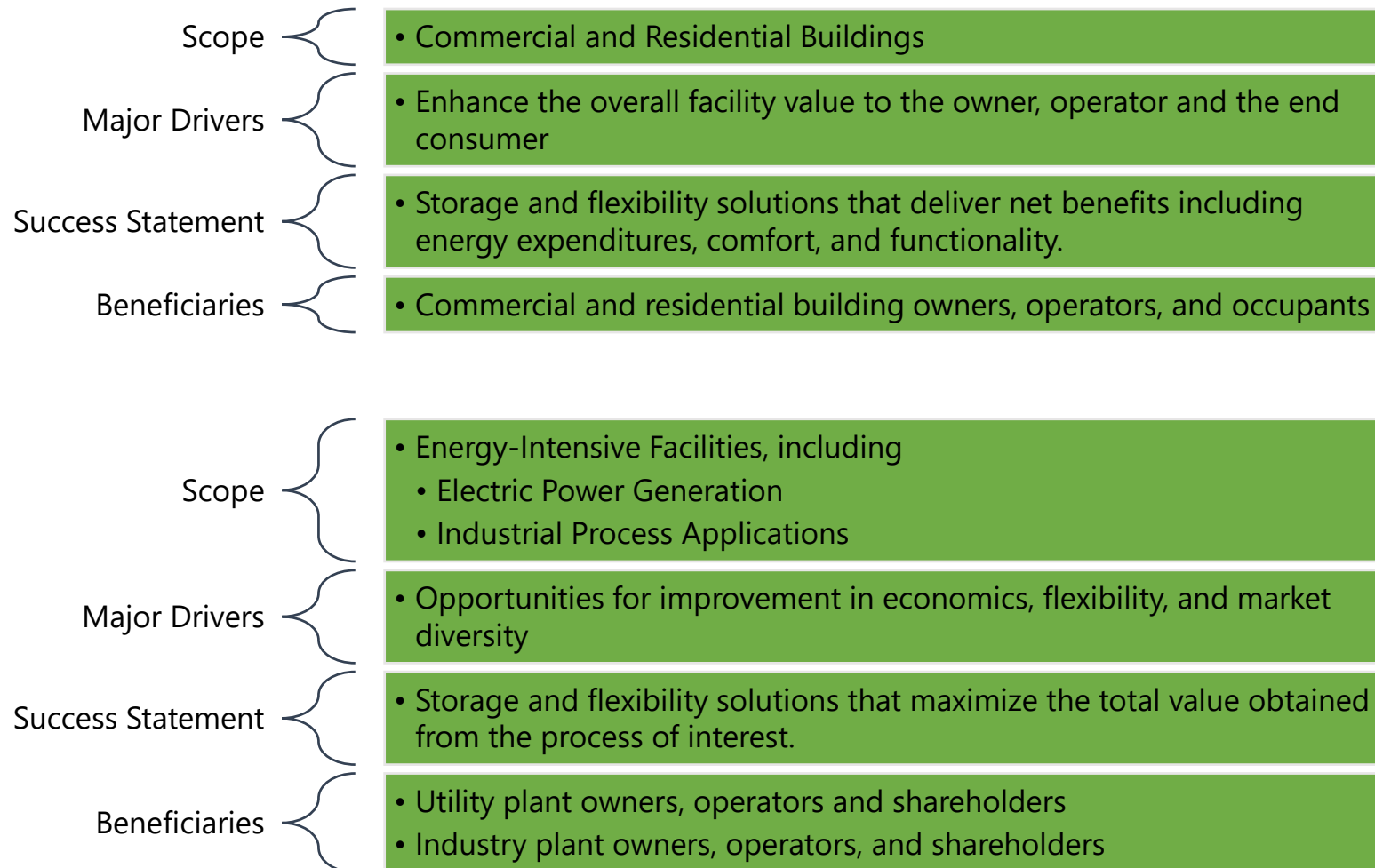
*"Most telecommunications facilities have at least eight-hour backup—often required by regulation—but locations prone to lengthy power outages, such as hurricane-prone areas, require backup capability between 24 and 72 hours."*

<https://www.hydrogen.energy.gov/pdfs/44520.pdf>

# 5. Critical Service Resilience



# 6. Facility Flexibility, Efficiency, and Value Enhancement



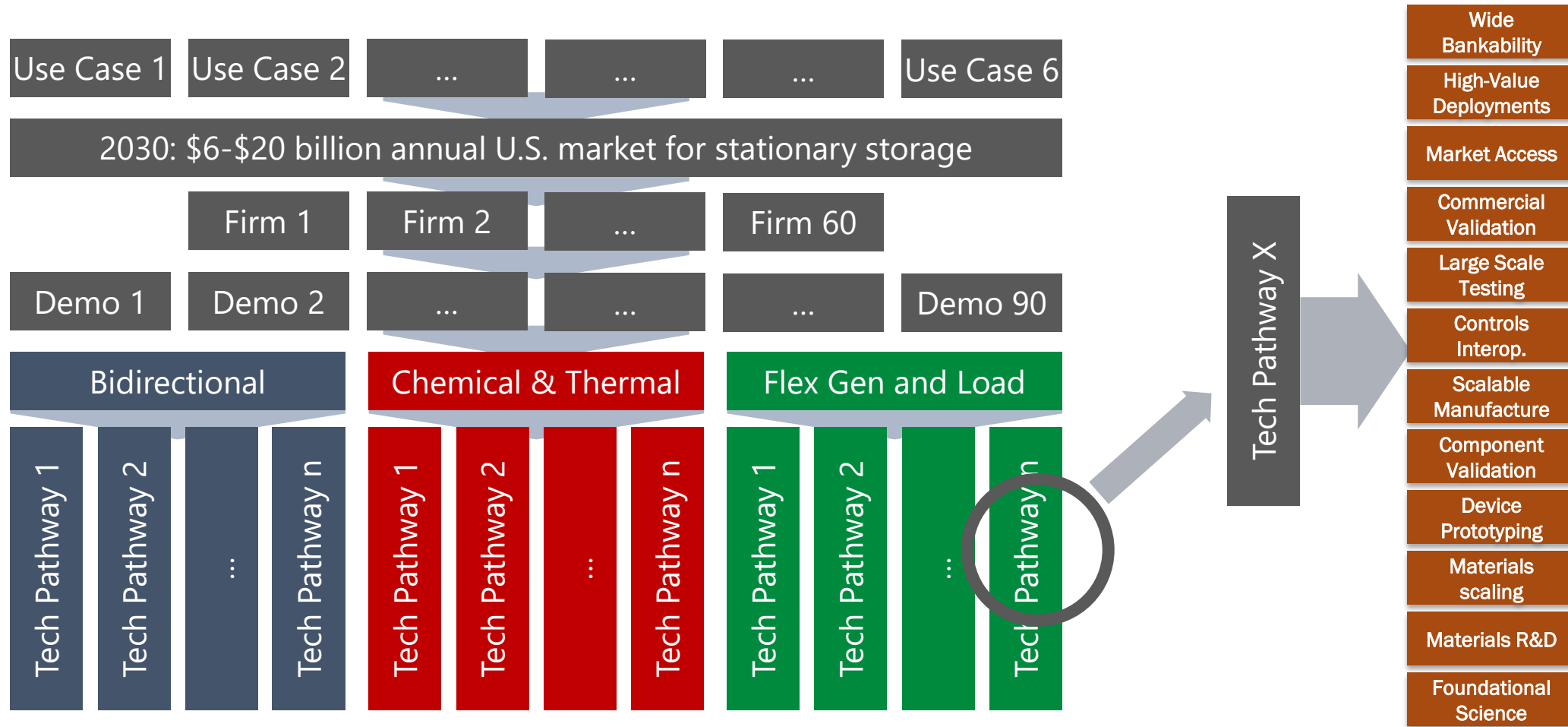
*"In an effort to save taxpayers money...GSA has enrolled approximately 25 MW of load in demand response programs and receives about \$1 million in annual benefits." [\$40/kw-yr equiv.]*

<https://www.ferc.gov/legal/staff-reports/2019/DR-AM-Report2019.pdf>

*"Upgrades to increase the maximum output, decrease the minimum output, increase the ramp limit, and combinations of all features would lead to a greater increase in net revenues under...a recent proposal by PJM to reform its reserve market."*

[https://www.eme.psu.edu/sites/www.eme.psu.edu/files/rewarding\\_flexibility\\_pjm\\_final\\_1.pdf](https://www.eme.psu.edu/sites/www.eme.psu.edu/files/rewarding_flexibility_pjm_final_1.pdf)

# Technology Portfolios: 2030 U.S. Storage Industry Scenario





# Questions

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Please submit your questions in the Chat box to the host. Reference the speaker or topic.



# Use Cases Panel

## Moderator

Lola Infante

Member, DOE Electricity Advisory Committee; Edison Electric Institute



## Panelists

- **Facilitating An Evolving Grid** – Sandip Sharma, Electric Reliability Council of Texas
- **Serving Remote Communities** – Larry Jorgensen, Homer Electric Association
- **Electrified Mobility** – Jordan Smith, Southern California Edison
- **Critical Service Resilience** – Steve Baxley, Southern Company
- **Interdependent Network Infrastructure** – Joshua Ruddick, Eugene Water and Electric Board
- **Facility Flexibility, Efficiency and Value Enhancement** – Andrew Maxson, Electric Power Research Institute

# Facilitating An Evolving Grid

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Sandip Sharma

Manager, Operations Planning  
Electric Reliability Council of Texas  
(ERCOT)



# ERCOT Grid- Brief Introduction

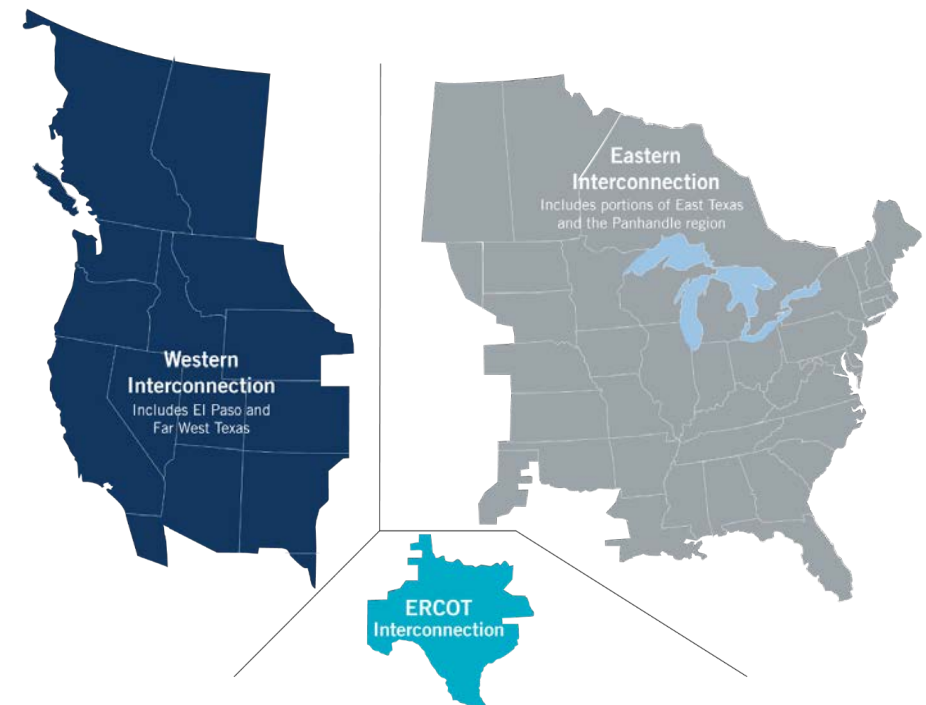
ERCOT ISO is a nonprofit organization and regulated by the Public Utility Commission of Texas, with oversight by the Texas Legislature

**Peak Demand Record: 74,820 megawatts (MW)**

- Aug. 12, 2019, 4-5 p.m.

**Wind Generation Records (instantaneous)**

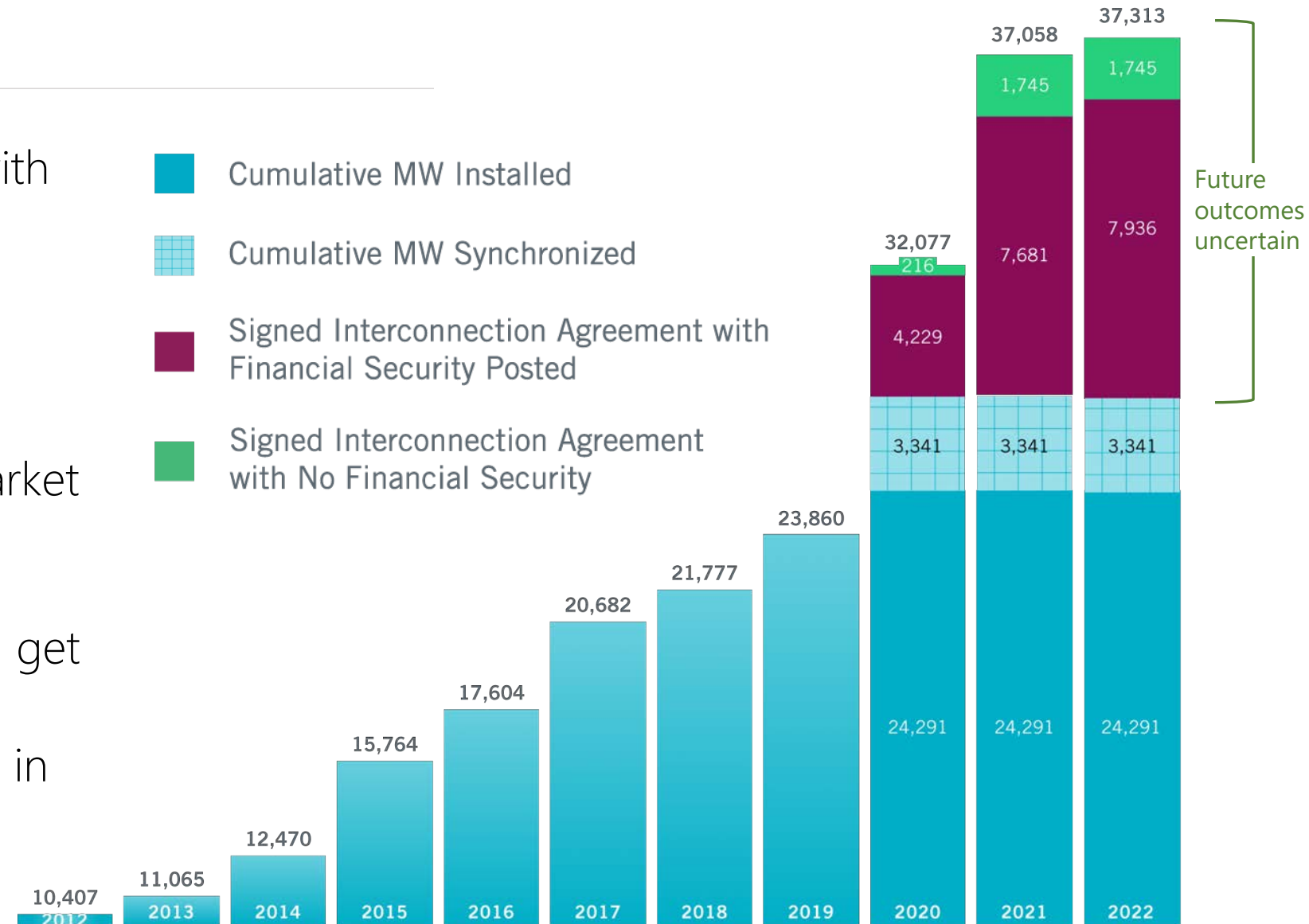
- Output: 21,144 MW on May 7, 2020, 20:43
- Penetration (load served): 59.30%
  - May 2nd, 2020, 2:10 a.m.
  - Total MW Served by Wind = 19,426 MW



# Wind Generation Capacity

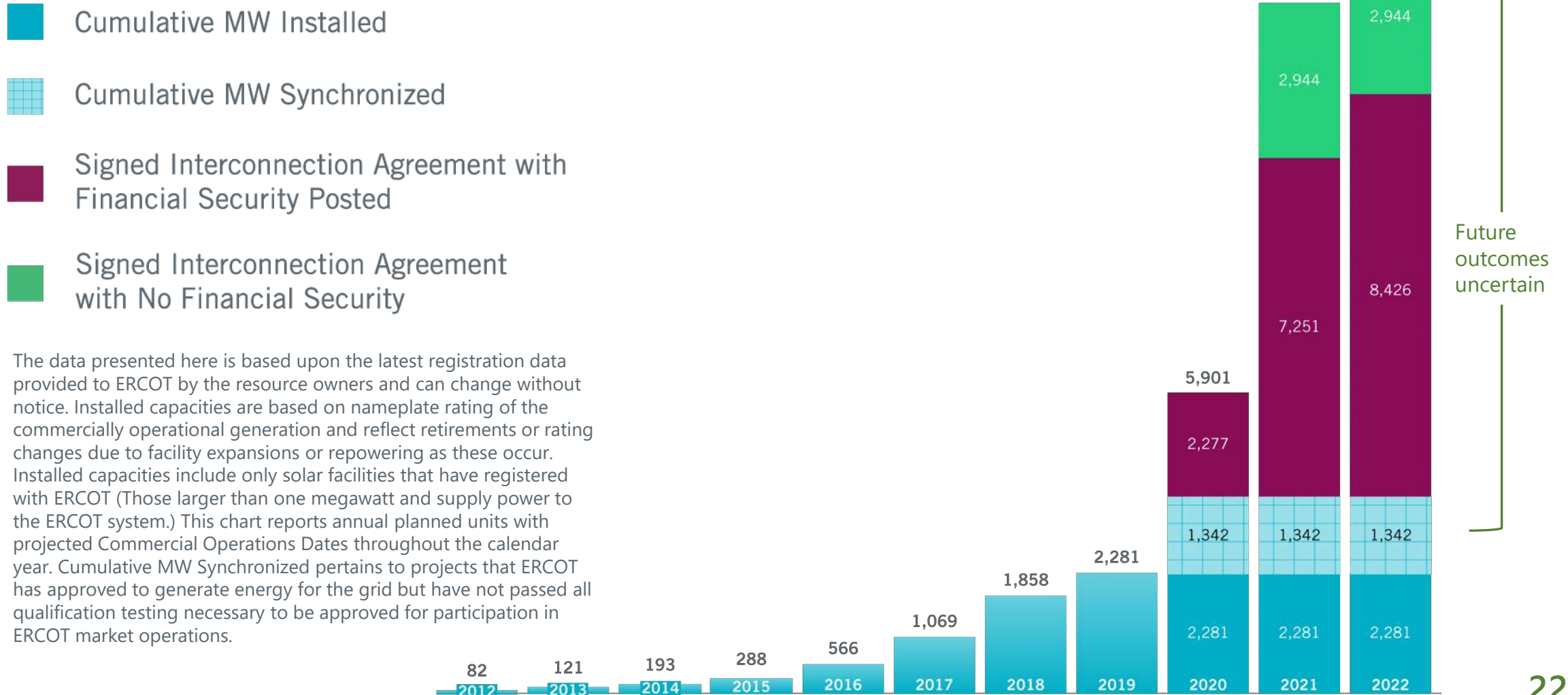
## – April 2020

- Steady growth continues, with some spikes.
- Largest annual increases:
  - 3,294 MW in 2015
  - 3,078 MW in 2017
- Tax incentives and other market drivers affect construction decisions and schedules.
- Not all planned projects will get built.
- Texas continues to lead U.S. in wind capacity.

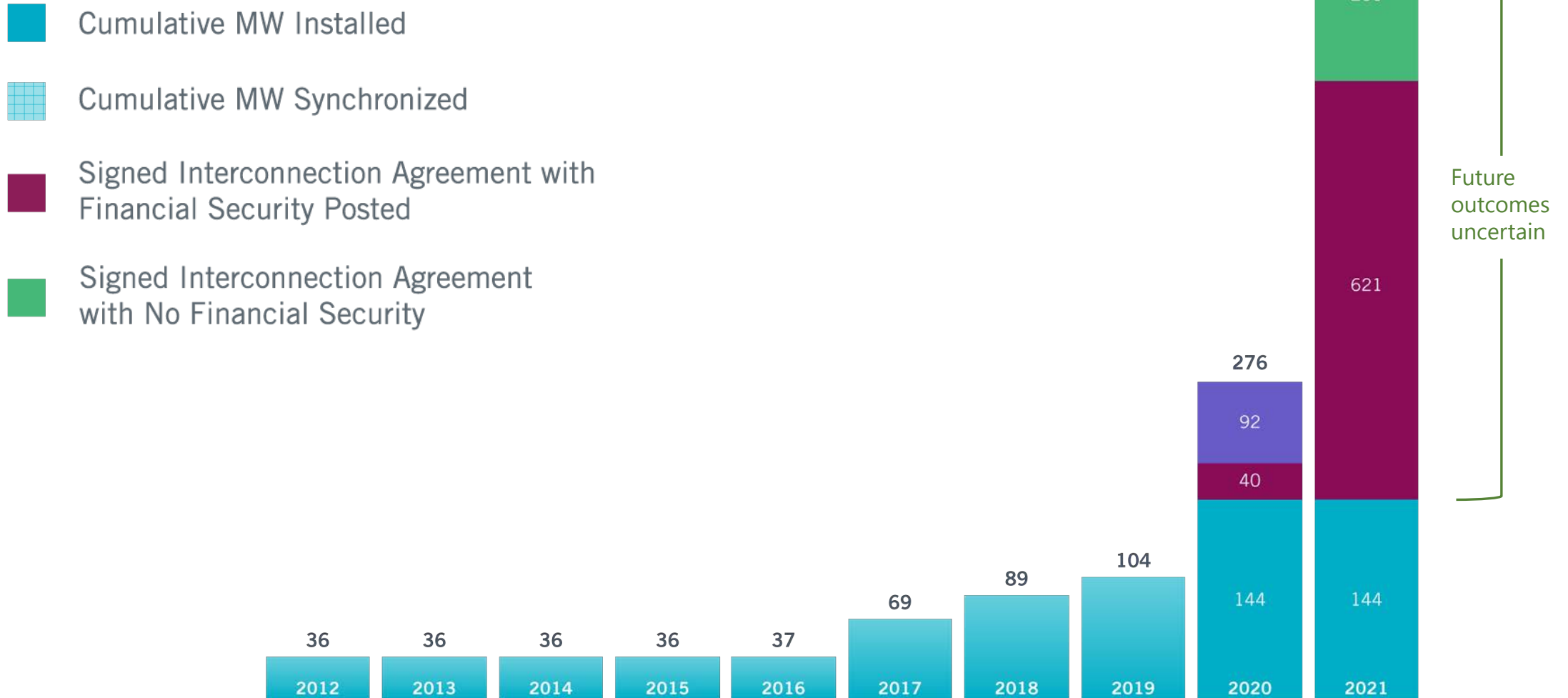


Cumulative MW Synchronized pertains to projects that ERCOT has approved to generate energy for the grid but have not passed all qualification testing necessary to be approved for participation in ERCOT market operations.

# Utility Scale Solar Generation Capacity – April 2020



# Battery Storage Capacity – April 2020



Cumulative MW Synchronized pertains to projects that ERCOT has approved to generate energy for the grid but have not passed all qualification testing necessary to be approved for participation in ERCOT market operations.

# Long Term Vision and Goals

## Time frame: 2030 and beyond

- Grid Inertia will continue to decline
- Weak grid issues will be more widespread
- Our dependency on faster ramping Resources will increase
- Intra-hour variability will continue to increase
- Risk of forecast uncertainty will continue to increase
- Ancillary Services will play important role in mitigating risks and maintaining system reliability.



# Technology Needs/Opportunities

## Where can R&D help?

1. Grid-Forming Inverters
2. Flexible Batteries that can provide continuous supply for energy for longer duration
3. Batteries that can mitigate system inertia issues
4. Firm-up Solar and Wind plants
5. Tools and applications that allow better modeling and allow more accurate study of battery capabilities

# Serving Remote Communities

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Larry Jorgensen

Director of Power, Fuels & Dispatch  
Homer Electric Association



# Project/Stakeholder Description

Homer Electric Association serves the Alaskan Kenai Peninsula. The Kenai Peninsula is known as “Alaska’s Playground”.

- ~35,000 meters in 3,166 sq. miles of service area.
- Connected to Alaskan “grid” via a single 115 kV tie line.
- Natural Gas price ~3.5 times higher than the lower 48.
- Current Electrical production is 90% from natural gas and 10% from hydro-electric.
- Installing a 93 MWh two hour Megapack battery from Tesla. (scheduled in service August 2021)

# Long Term Vision and Goals

## Time frame: 2030 and beyond

- Greater diversification of fuel/energy sources, thereby reducing exposure to high natural gas prices and market volatility.
- Overall reduction in GHG production with long-term sustainability.
- Increased penetration of renewables. On track to achieve 18% before 2030.
- Maintain system reliability especially during long, cold, and dark Alaskan winters.

# Technology Needs/Opportunities

## Where can R&D help?

- Development of the untapped Cook Inlet tidal resource with tides varying from 20 to 30 feet.
- Tidal machines that can operate in water with high amounts of glacial silt, critical habitat for endangered species (Beluga Whales), and as well as protected salmon habitat.
- Integration with energy storage to ensure beneficial use of tidal energy production without curtailment due to system constraints.

# Electrified Mobility

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Jordan Smith, P.E.

Consulting Engineer,  
Grid Technology Innovation  
Southern California Edison



# Southern California Edison

## SCE System Characteristics

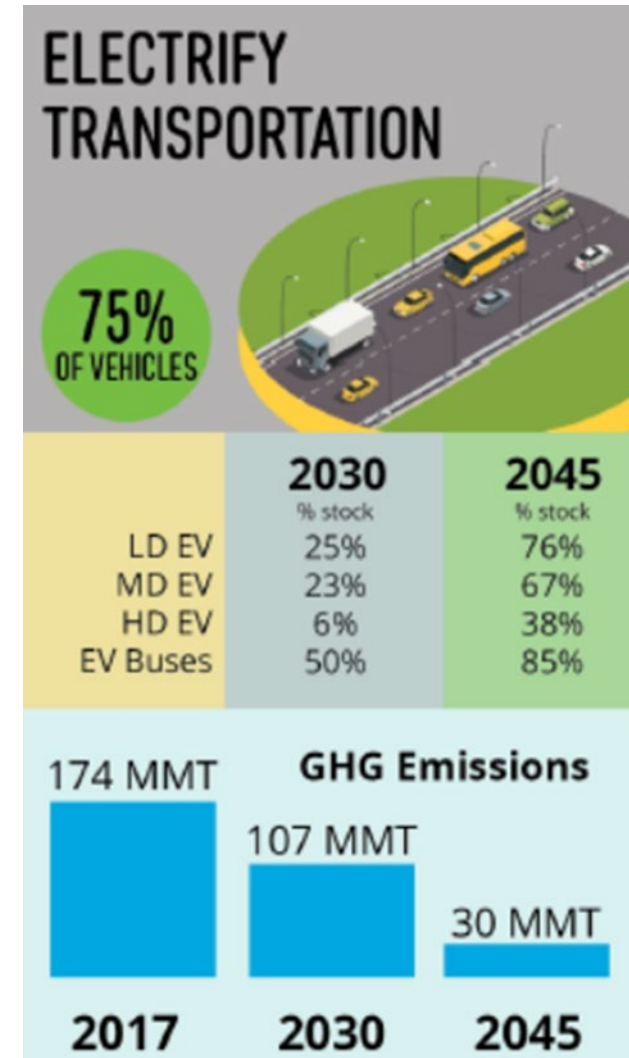
- 50,000 square-mile service area
- 5 million customer accounts
- 15 million residents
- Infrastructure
  - 1.4 million poles
  - 700,000 transformers
  - 103,000 miles of T&D lines
- Driven by:
  - Safety and reliability
  - Distribution Resources Plan
  - Renewables
- Electric Vehicle charging and energy storage
- Pathway 2045



# Pathway 2045 to Clean the Electric Grid and Reach Carbon Neutrality

## By 2045:

- 100% of retail sales carbon free
- 40% increase in peak load
- 80 GW of new generation<sup>3</sup>
- 30 GW of new energy storage needed
- 75% of vehicles electric
- 70% of buildings electric
- Two thirds of medium-duty trucks
- One-third of heavy-duty trucks





# Technology Needs/Opportunities

## Electric Program Investment Charge (EPIC)

Ratepayer funded program for electric system RD&D to meet states goals

- R&D portion managed by California Energy Commission
- Demonstration portion managed by state's IOUs, such as SCE

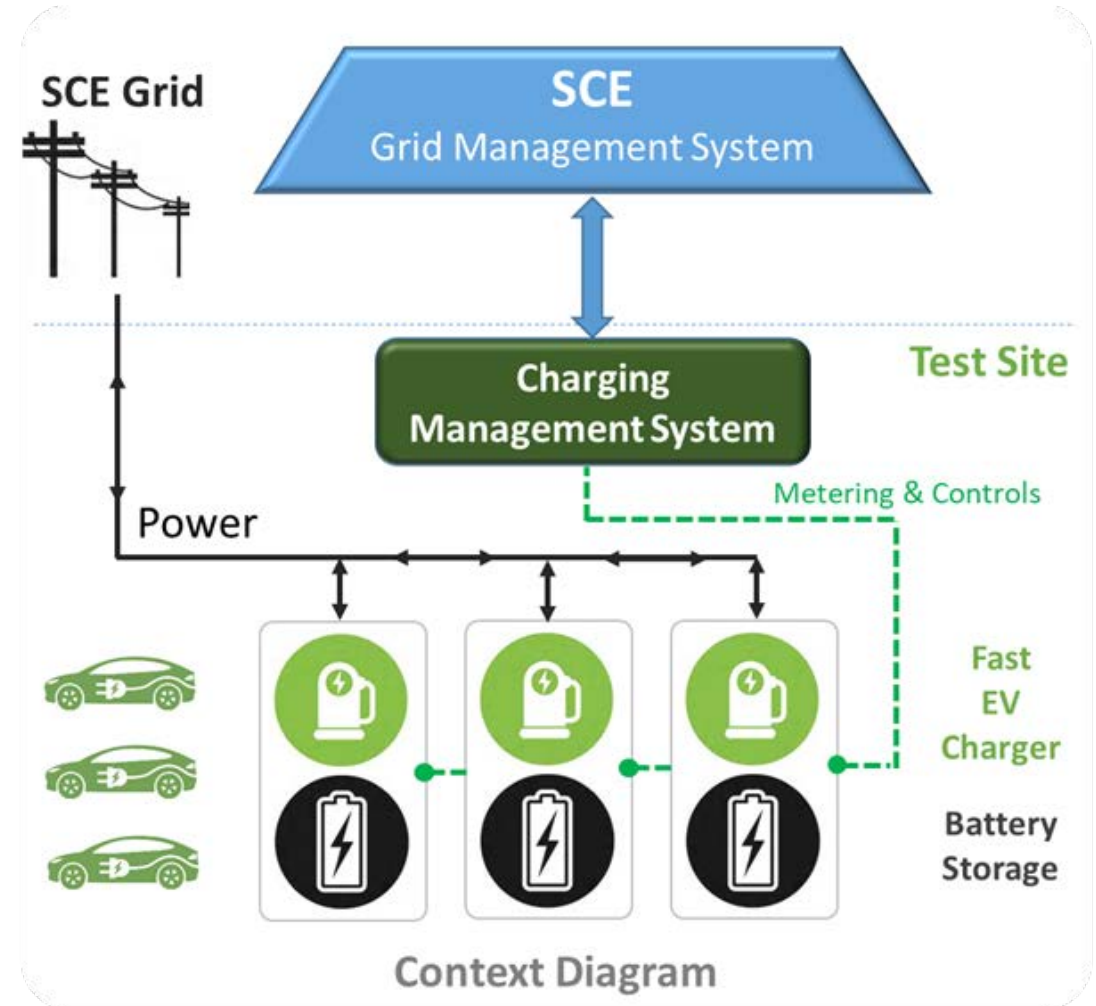
Now in IOU Demonstration Tranche 3 of 3

- 26 projects in various stages of forming and execution
- 3 Transportation Electrification projects

# Distributed Charging Resources

## Objectives

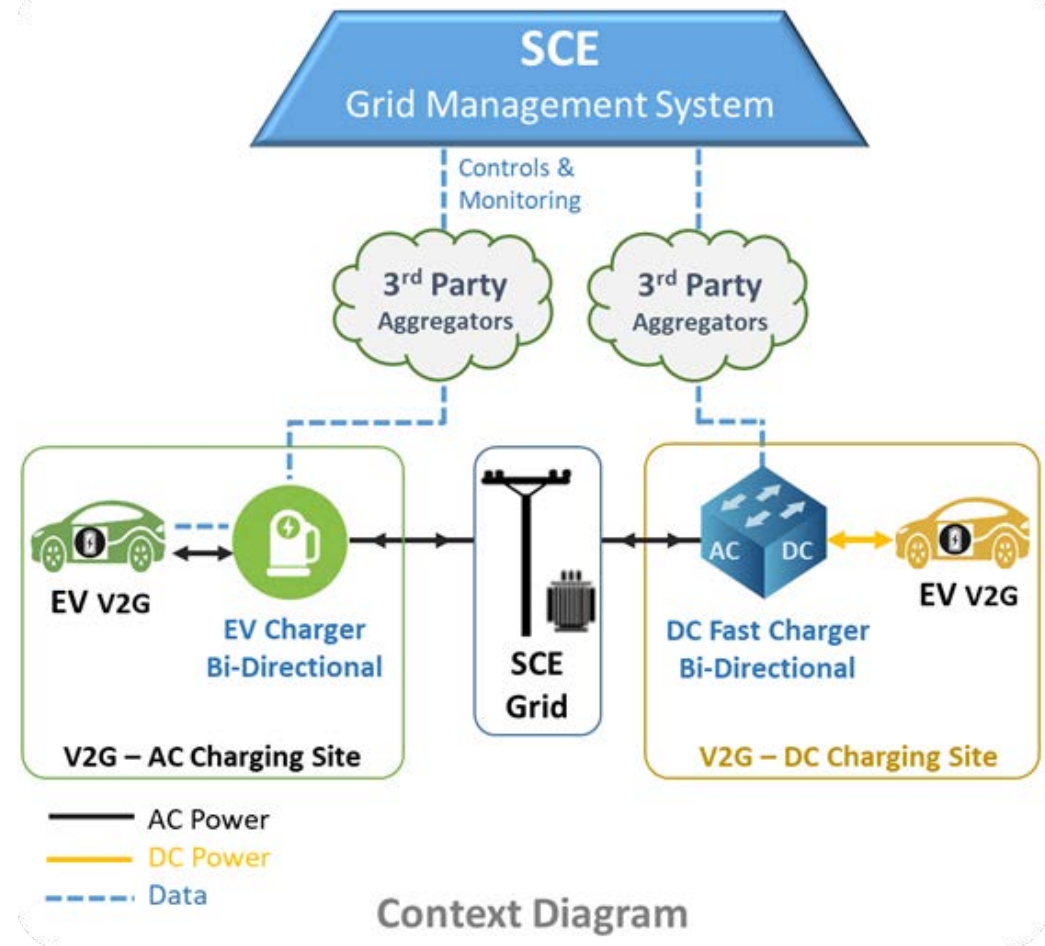
- Demonstrate function of high power EV charging integrated with utility operated batteries
- Reduce EV charger demand and energy costs from customer perspective
- Optimally charge EVs as quickly as possible and maintain high utilization
- Test use case for second life battery application
- Demonstrate functionality system to provide grid services



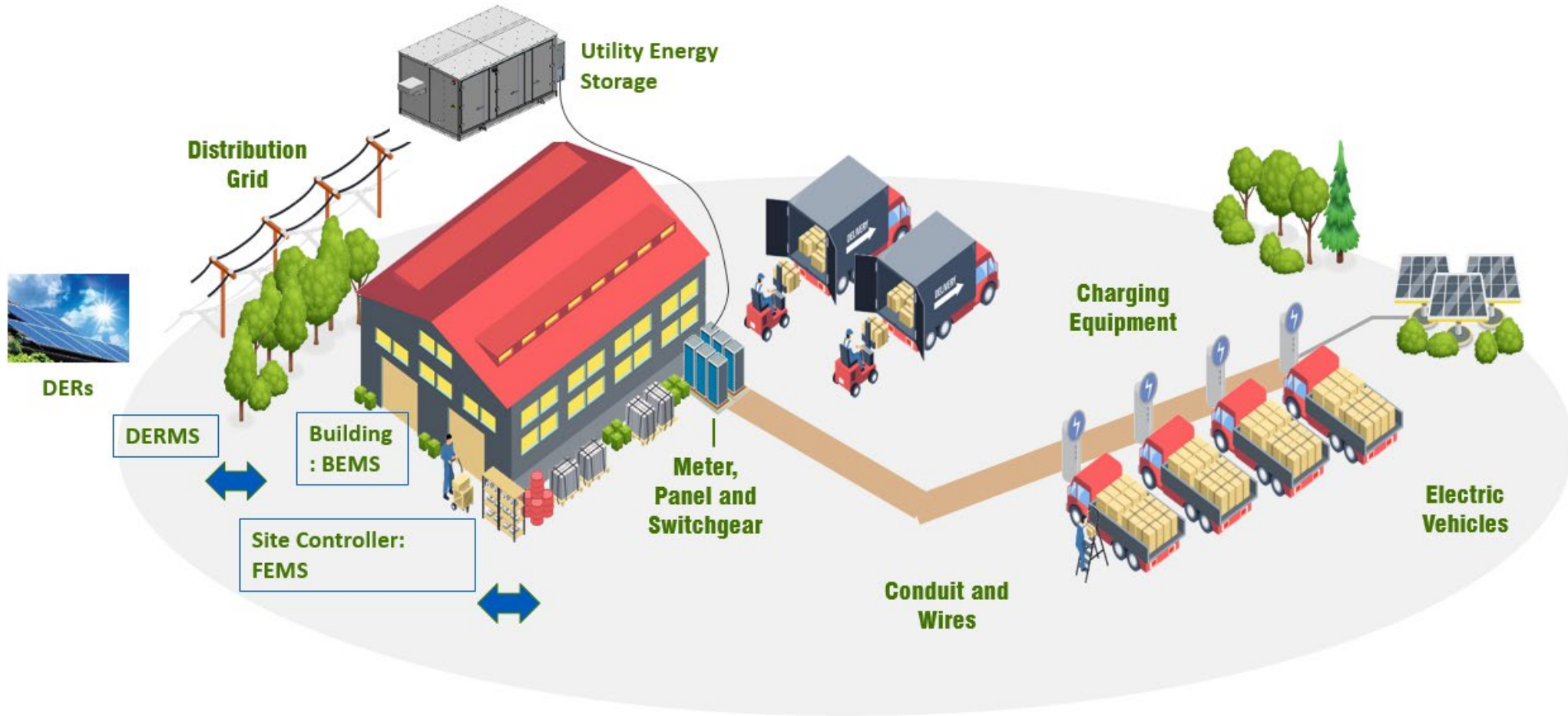
# Vehicle to Grid Integration

## Objectives

- Validate controlled bidirectional EV charging (V2G) in lab and field demonstration
- Demonstrate interconnection requirements of customer-owned V2G systems
- Validate V2G use case to support customer bill reductions and distribution grid services
- Interconnect commercial V2G electric buses at customer site to demonstrate grid service



# Service Center of the Future



# SCOF Demonstration

## Objectives

- Demonstrate an innovative approach to large heavy-duty fleet EV service using energy storage, integrated managed charging and DERs
- Implement a site energy controller, integrate EV chargers, add submetering, and electrify a building
- Optimize charging per fleet operations, tariffs, and DERs to ease site EV charging demand on grid while minimizing customer costs
- Aggregate facility DERs and connect with Grid Management System to provide local grid services

# Use Case Examples

## Some of the Use Cases to be demonstrated:

### **USE CASE 1: Demand Charge Mitigation, Demand Response**

- Load-leveling strategy to reduce a customer's peak demand
- Fleet Management System (FEMS) reduces EV peak demand
- FEMS manages charging based on demand response (DR) event

### **USE CASE 2: Rate-based Charging Management**

- FEMS manages battery to limit charging demand based on rates and facility tariffs
- FEMS limits power from grid by curtailing loads and PV, or leveraging ESS battery

### **USE CASE 4, 6: Voltage Support, Resiliency**

- FEMS supports over/under voltage conditions using ESS
- FEMS monitors local voltage until voltage constraint condition is rectified
- In simulated outage the ESS will continue to support EV charging needs

# Critical Service Resilience

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Steve Baxley

Manager - Renewables, Storage, and  
Distributed Generation

Southern Company

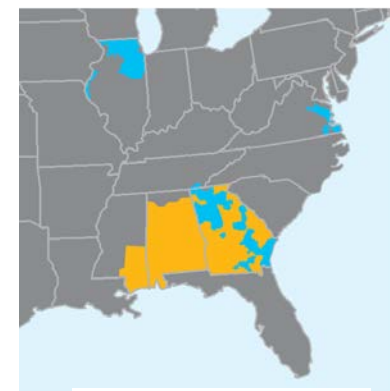




# Project/Stakeholder Description

## Southern Company provides clean, safe, reliable, and affordable energy

- Continue to provide **clean, safe, reliable/resilient**, and **affordable** energy
- Communities and customers that suffer from frequent environmental stresses or threats—*hurricanes and tornadoes*
- End users relying on life safety systems — *hospitals, emergency services, nursing homes*
- Military bases (require longer-duration storage than currently exists)



Service territories

Electric  
Gas

**7**

Electric & Natural  
Gas Utilities

**9 Million**

Customers

Approximately

**29,000**

Employees

Approximately

**44,000 MW**  
of Generating Capacity



# Project/Stakeholder Description

Two first-of-a-kind smart home communities at the intersection of energy efficiency, distributed energy resources & buildings-to-grid integration and the traditional utility model



- **46 townhomes**
- Atlanta, Georgia
- Homeowner owned solar + storage
  - 3.6 kW solar
  - **20 kWh storage**
- Grid integration of solar, storage, HVAC, water heating & EV charging



- **62 single-family homes**
- Birmingham, Alabama
- Utility owned, grid-connected microgrid
  - 330 kW solar
  - **680 kWh storage**
  - 400 kW NG generator
- Grid integration of microgrid, water heating & HVAC

## Major Research Partners

Oak Ridge National Laboratory  
Electric Power Research Institute  
US Department of Energy

## Key Vendor Partners

LG Chem, Delta, Carrier, ecobee, Rheem,  
SkyCentrics, Flair, Vivint, Pulte Homes,  
Signature Homes

## Key Results

Homes are 30-40% more efficient  
EV makes up 15-20% of total usage  
Successful microgrid islanding  
New business opportunities deployed

# Long Term Vision and Goals

## Time frame: 2030 and beyond

- Maintain critical services (military, communities, campuses, government, healthcare) during extended power outages
- Support grid recovery after disruptions from natural disasters or intentional threats (e.g. cold load pickup)
- Open, standardized interface to storage technologies for rapid control integration at all points of interconnection on the grid
- Co-optimize storage and DER with demand side flexibility and energy use for long duration outage events
- Intelligent dispatch of energy storage during disaster events coupled with distribution network topology

# Technology Needs/Opportunities

## Where can R&D help?

- Cost-effective technologies with sufficient storage duration and capacity
- Technologies and guidance supporting robust energy storage safety
- Technologies and guidance to support reliability of storage
- Power and storage-system electronics and controls; wider grid integration
- Tools for appropriate sizing of storage to support critical facilities/loads
- End-use optimization to accelerate the adoption of storage technologies
- Enabling emergency storage systems to provide grid services during normal times

# Interdependent Network Infrastructure

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Joshua Ruddick

Eugene Water and Electric Board



# Interdependent Network Infrastructure

## EWEB Grid Edge Demonstration Project: Howard Elementary

- EWEB
- Sandia National Laboratories
- Oregon DOE
- CESA
- Worley Parsons
- NEC
- Eugene School District 4J

### Special Thanks

- Funding from US DOE, Dr. Imre Gyuk Energy Storage Program Manager

# Grant Scope

- Install energy storage system equal or larger than 500kW
- Project must run connected to the distribution grid for at least one year
- Provide detailed plan to provide measurement and verification of promised services
- Services (Use Cases) Include:
  - Peak Demand Reduction / T&D Deferral
  - Energy Resiliency / Back-up Power
  - Voltage/VAR Support
  - Frequency Regulation
  - Renewable energy ramping, firming
  - Energy Arbitrage
  - Outage Mitigation
  - Reduction of Transmission Charges (reduction of utility co-incident peak)
  - Reduction of Transmission Charges (generation imbalance)
- Optimization Study

# Long Term Vision and Goals

## EWEB Resiliency

- Emergency Preparedness & Disaster Recovery
  - Rule of 3's (Restoration Order)
    - 3 days – Emergency Water Distribution Sites
    - 3 weeks – Power Critical Facilities
    - 3 months – System Repair and Restoration
- Electric Supply Resources



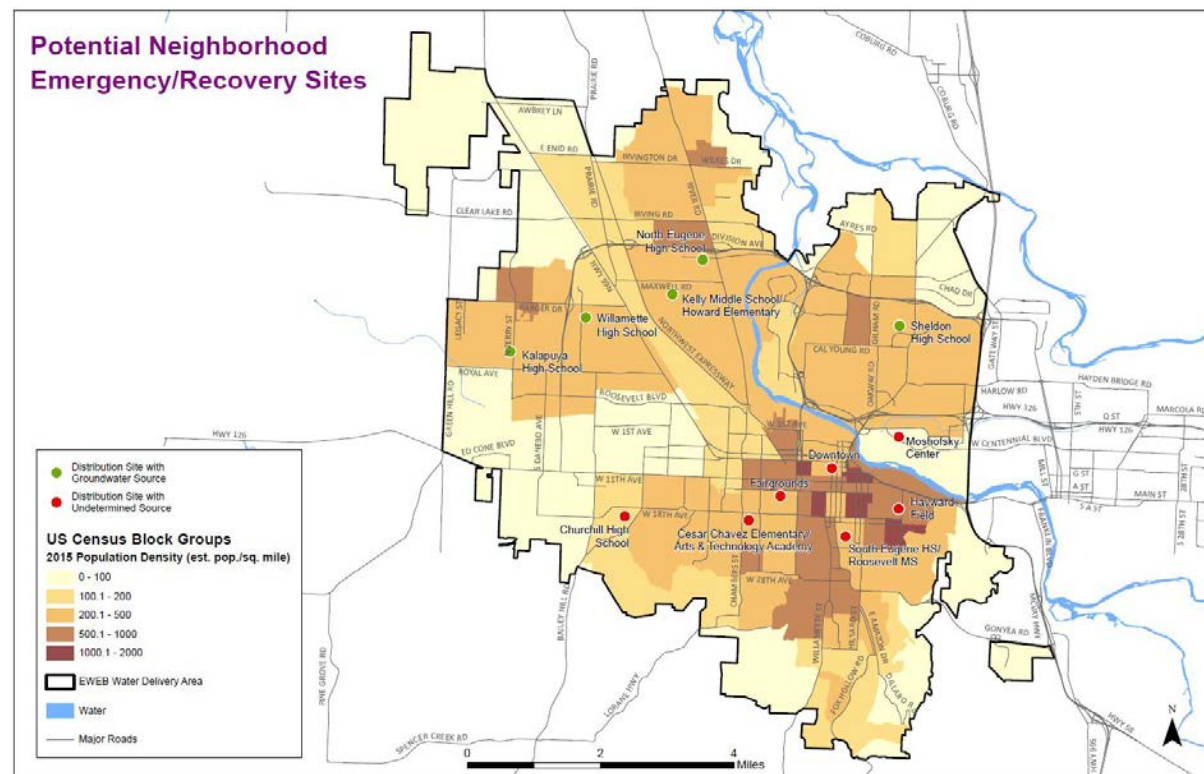


# Long Term Vision and Goals

## Goal: 5 Sites in 5 Years

### Neighborhood Emergency Water Sites

- Community
  - Focusing on Schools and sites already integrated
- Infrastructure
  - Working with local entities with common interest and facilities





# BESS Usage

## How Does EWEB Intend to Use the BESS?

### 1. Resiliency

- Customer outage resiliency (short outages)
- Disaster resiliency
  - Community gathering site
  - Water distribution site
  - Staging area
- Aggregated generation (future)



# BESS Usage

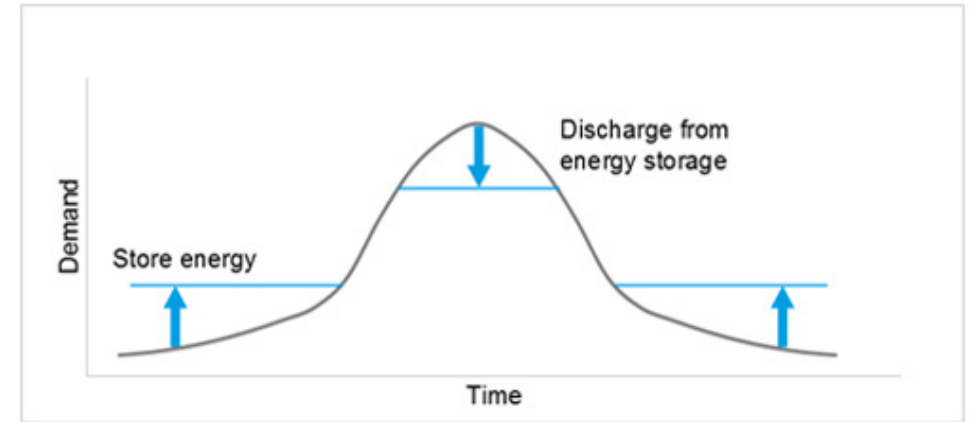
## How Does EWEB Intend to Use the BESS?

### 2. Research

- Help National Labs with PNW economic analysis (use cases)
- Develop EWEB interconnection standards for energy storage

### 3. Economics

- Customer demand bill reduction
- Utility BPA bill reduction



# Technology Needs/Opportunities

## Where can R&D help?

### **Project challenges to learn from:**

1. Metering if behind the meter
2. Additional metering requirements (e.g. BPA)
3. Not self-starting (requires UPS to power controller and Inverter)
4. Unable to charge with solar while islanding
5. Better defined commissioning plan
6. Consolidate battery and inverter
7. Controllers are expensive

# BESS and Water Distribution Conex





# Facility Flexibility, Efficiency and Value Enhancement

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Dr. Andrew Maxson

Electric Power Research Institute, Inc.  
(EPRI)





## Research leader in energy storage

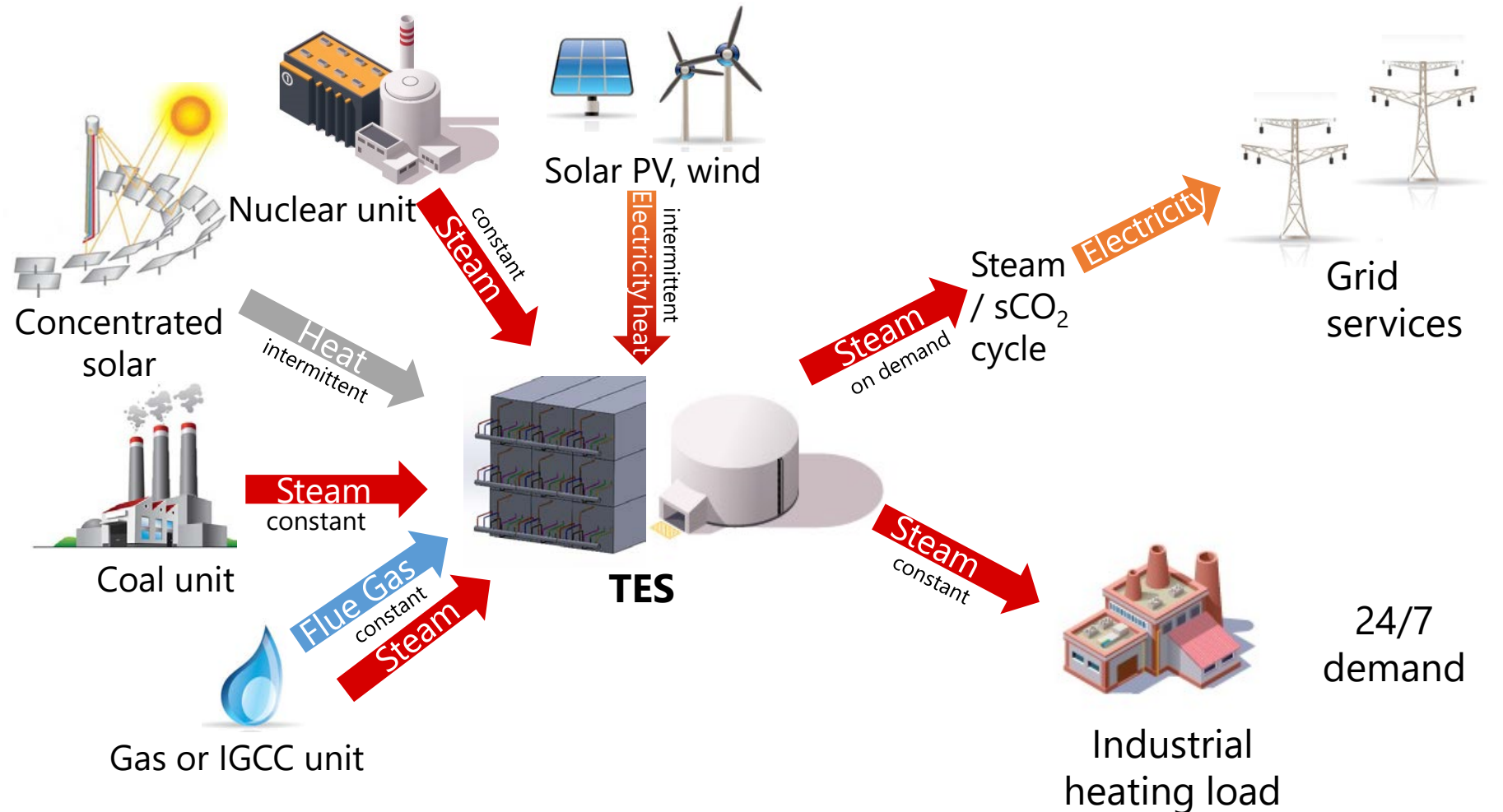
- Research, development, and demonstration consortium for the electricity sector
- Founded in 1972
- Independent, non-profit
- ~500 participants from over 40 countries and six continents
- Full spectrum of programs touching all aspects of electricity
- Research on energy storage for over a decade including all types
- Larger-scale, “bulk” energy storage with longer durations is growing in interest for industry

# Project/Stakeholder Description

## Penetration of renewables has caused thermal facilities to operate in inefficient and non-economic modes

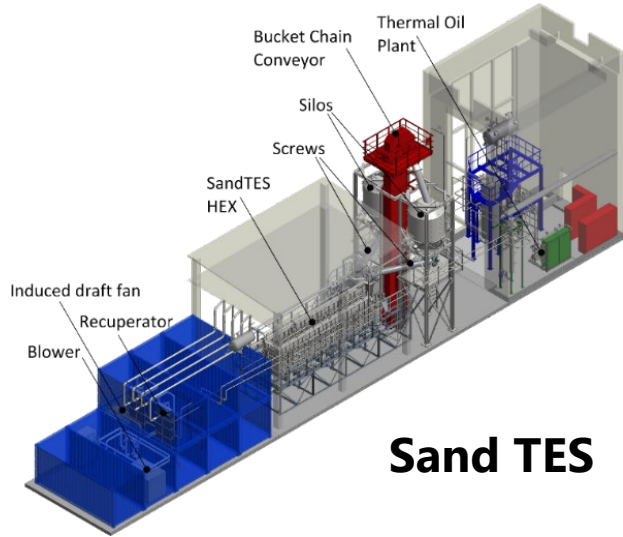
- Capacity factors have decreased while cyclic operation has increased
- Ramping and start-stops increase maintenance and environmental impacts, and reduce efficiency and life
- Overall economics of the facility deteriorates
- Grid instability increases
- Integrate thermal energy storage (TES) so that when power is not needed, energy can be stored, and then used when needed. Facility operates at design capacity factor, improving performance and value.
- Rotating assets are maintained providing “real” system inertia and synchronous power

# TES Applications

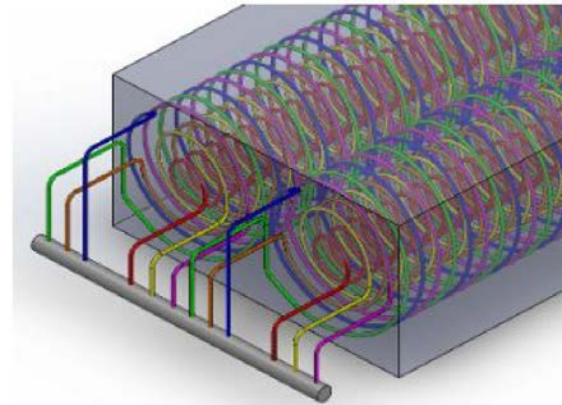




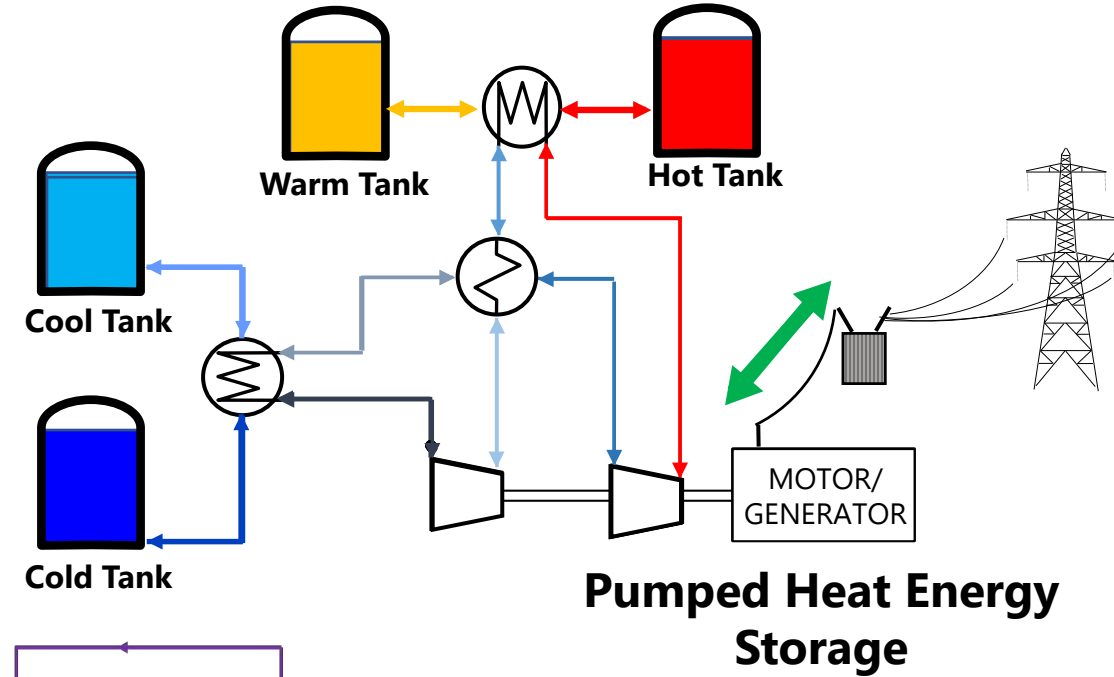
# TES Examples



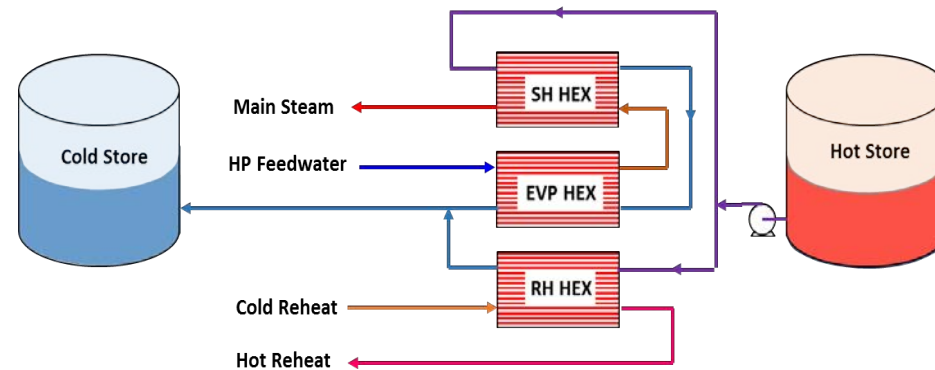
**Sand TES**



**Concrete TES**



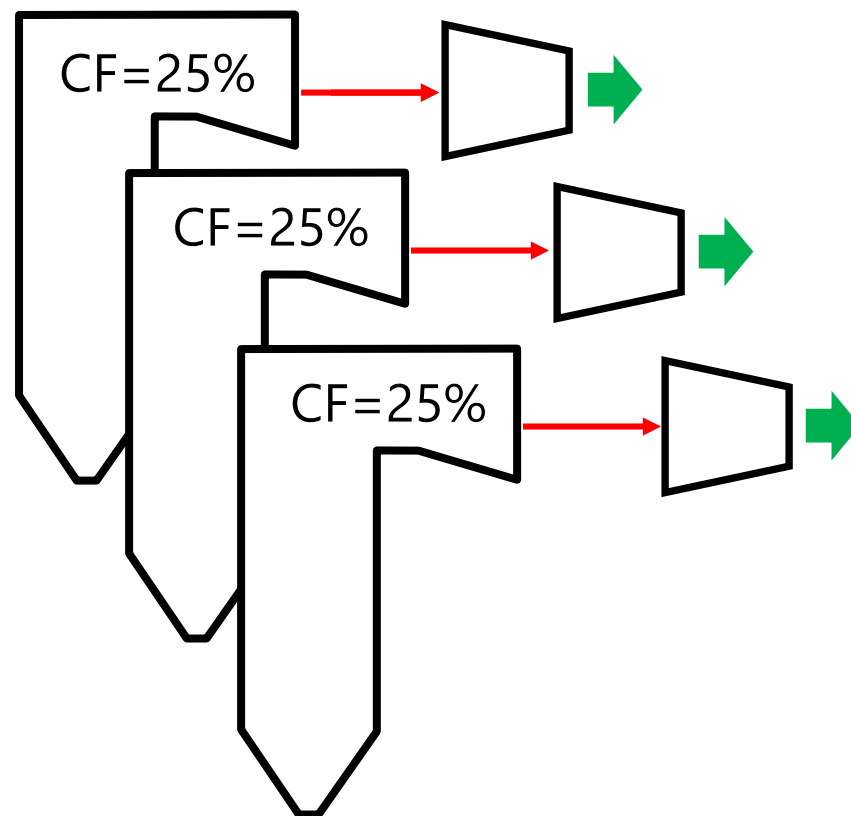
**Pumped Heat Energy Storage**



**Molten Salt TES**

# Use Case Example

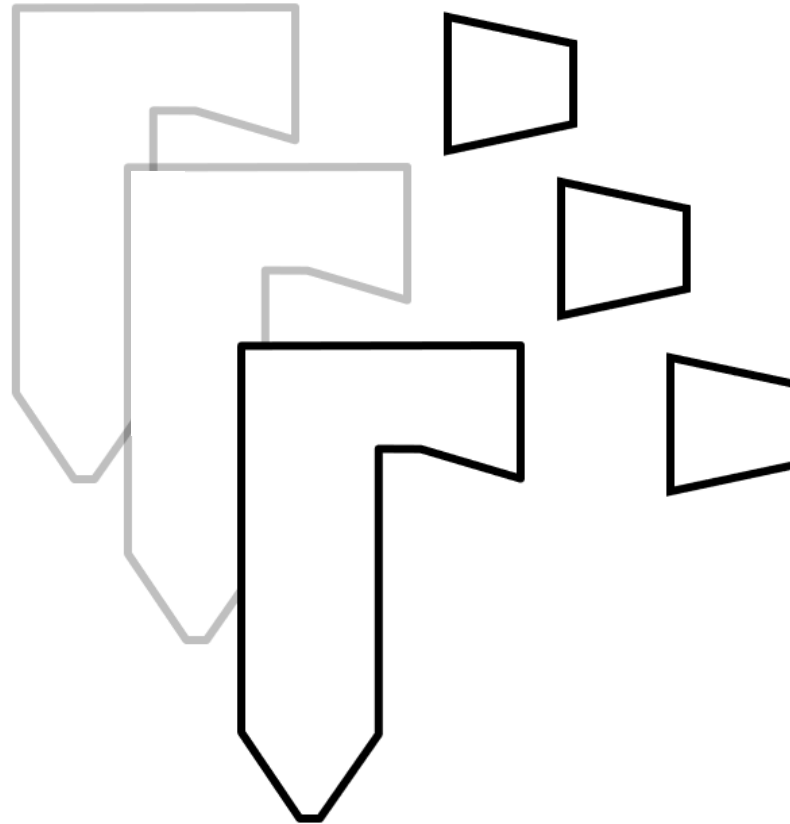
Existing plants  
start/stop frequently



# Use Case Example (cont.)

**Existing plants  
start/stop frequently**

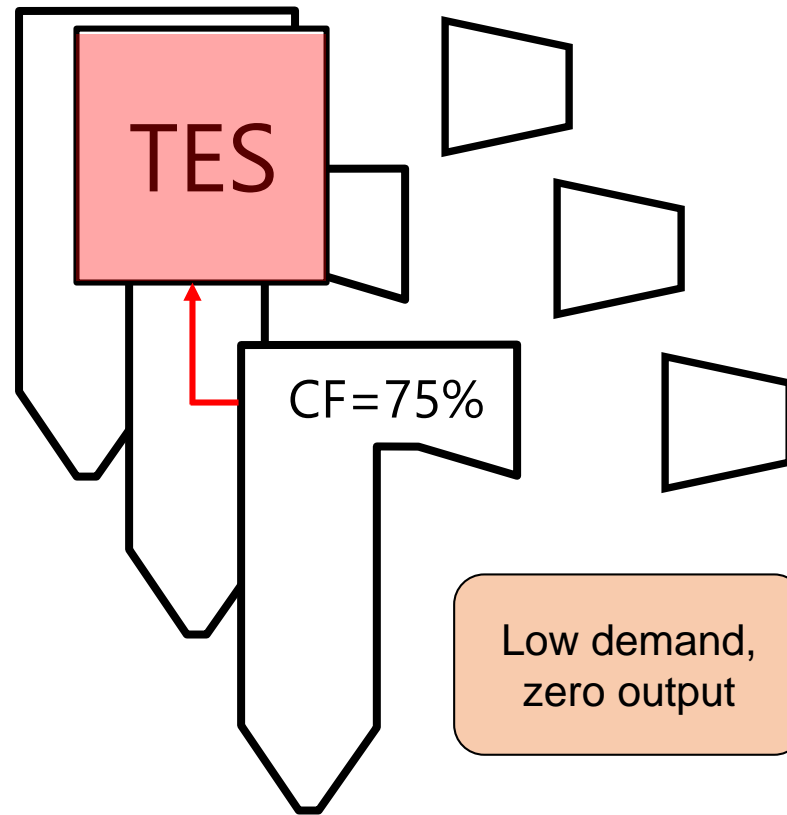
**Single plant  
becomes primary  
energy source**



# Use Case Example (cont.)

Existing plants  
start/stop frequently

Single plant  
becomes primary  
energy source

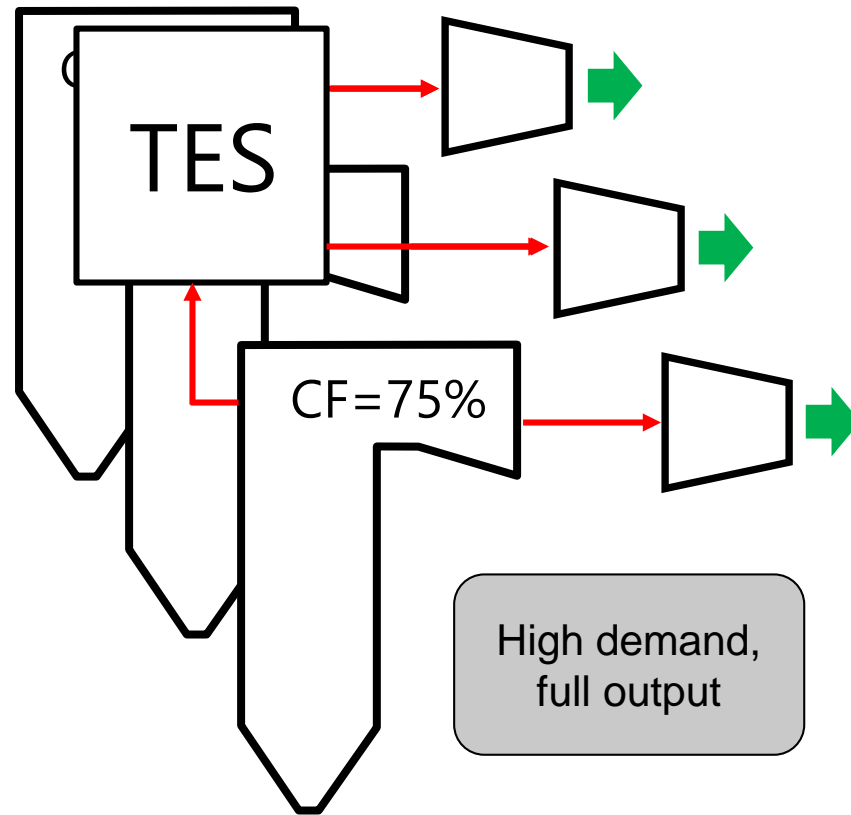


Install TES to enable  
zero output during  
high renewable  
resource periods

# Use Case Example (cont.)

Existing plants  
start/stop frequently

Single plant  
becomes primary  
energy source



Install TES to enable  
zero output during  
high renewable  
resource periods

Assured output  
when needed that  
exceeds source plant  
capacity

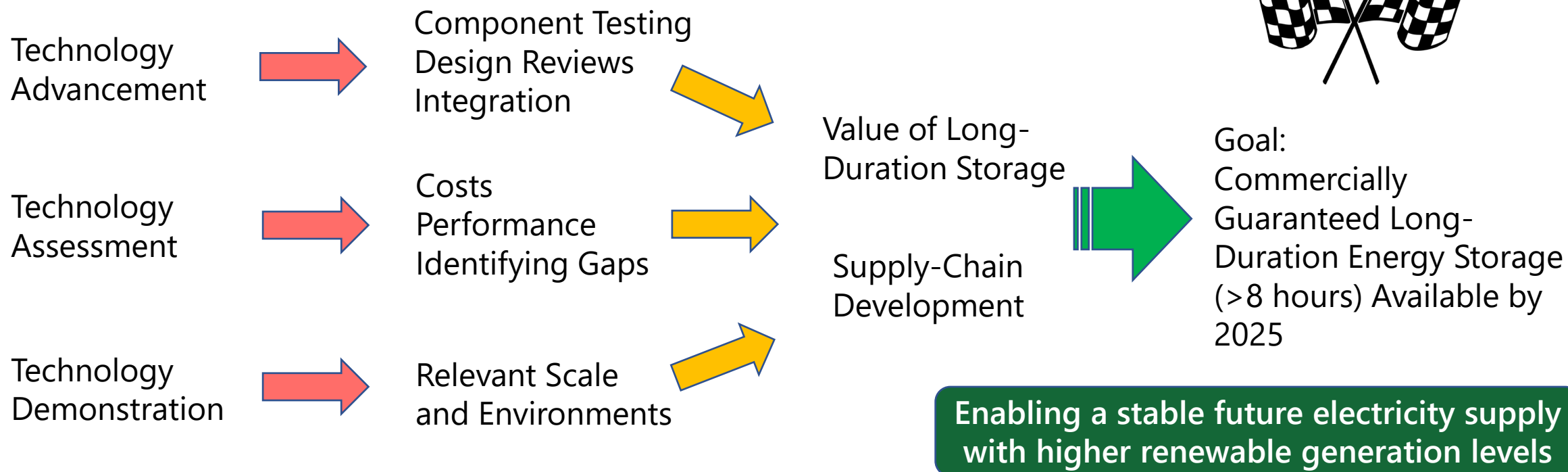
# Long-Term Vision and Goals

## Timeframe: 2030 and beyond

- By 2025, longer-duration, cost-effective TES systems that are optimally integrated to operating thermal facilities (fossil, industrial, nuclear, solar thermal)
- After 2030+, facilities should be able to convert to using electricity for heating, if needed
- Thermal facilities operate as designed and are more efficient, cleaner, last longer, and make more money by time-shifting output
- Dispatchable power and “real” system inertia are maintained

# Technology Needs/Opportunities

# Where can R&D help?



# Questions

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Please submit your questions in the Chat box to the host. Reference the speaker or topic.





# Thank you.

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Our next workshops:

- West/Southwest Regional Workshop, May 19
- Pacific/Northwest Regional Workshop, May 20
- Midwest/Northeast Regional Workshop, May 27

For more information, visit:

<https://www.energy.gov/energy-storage-grand-challenge>

