Behind the Meter Storage Analysis





NREL Margaret Mann, Group Manager margaret.mann@nrel.gov 2021 BTO Peer Review August 25, 2021 3:30 ET

Project Summary

Timeline:

Start date: 10/1/2019 Planned end date: 9/30/2022

Key Milestones

- 1. Working EnStore model, incorporating existing models, and draft results Sept 2020
- 2. Summary of EnStore results from incorporation data from the BTO-funded research project on thermal energy storage (TES) June 2021
- 3. Interactive visualization tools for scenario exploration by audiences outside of project team such as DOE and industry advisors Sept 2021

Collaboration & Coordination:

- A joint project between VTO, BTO, OE, and SETO
- BTMS Research Project on Thermal Energy Storage and Battery Lifetime Five Laboratory Team lead by NREL: Sandia National Laboratory, Argonne National Laboratory, Idaho National Laboratory, Pacific Northwest National Laboratory
- Receiving inquiries from utilities, charging companies, and building owners will pursue in FY22

<u>Budget</u>: Total Project Funding to Date:

- BTO: \$500k in FY20 + \$7500k in FY21
- SETO: \$500k in FY20
- VTO: \$350k in FY21

Project Outcome:

Key Question: What are the optimal system designs and energy flows for thermal and electrochemical behind-the-meter-storage with on-site PV generation enabling fast EV charging for various climates, building types, and utility rate structures?

The EnStore Model is being developed to identify the most efficient means of deploying BTMS across the U.S. for fast-EV charging at different buildings, in different climates, with PV generation

Detailed physics-based modeling and predictive controls provide required fast response to "spiky" EV charging demands and dynamic utility rate structures.

A Talented Team for a Complex Challenge



Margaret Mann, Pl



Tony Burrell, R&D Fearless Leader



Eric Bonnema, E+ & Buildings Guru



Brennan Borlaug, EV Charging Oracle



Madeline Gilleran, Code, Results, & Visualization Prodigy



Darice Guittet, Battery, SAM & Controls Programmer Extraordinaire



Chad Hunter, Finance Authority



Monte Lunaceck, Simulation Tamer



Andrew Meintz, EV Charging Master



Matt Mitchell, HPC Tamer & TES Expert



Partha Mishra, EVI-EnSite Creator



Kristi Potter, Visualization Whiz

Challenge

- Several fundamental and watershed changes in the transportation, electrical, and buildings sectors are happening simultaneously. Understanding the intersection of these changes is essential for optimizing the economic, social, and climate benefits.
 - <u>Buildings</u> are going to be required to serve a lot more needs than before, e.g., grid services, EV charging, electric generation, space conditioning, energy storage, resiliency....
 - Rapid <u>EV adoption</u> could have a significant, and potentially negative effects on grid infrastructure and buildings operations
 - Large penetration of solar photovoltaic (<u>PV</u>) generation installed on buildings is leading to new challenges for building interactions with the electric grid
 - New wind and solar installations are market competitive, creating new <u>challenges for utilities</u>
 - <u>Energy storage</u> energy costs are rapidly declining, enabling greater use of clean energy
- Individual components behave differently when integrated into systems.
- The EnStore Model dynamically evaluates, at the physics-based level, how batteries and thermal energy storage can reduce costs for fast EV charging at multiple buildings in different locations
- EnStore seeks to evaluate how <u>integrated systems</u> can unlock additional value for building owners, utilities, and EV drivers at the same time, across the U.S.

Approach: Use Detailed Physics-based Modeling and Predictive Controls to Evaluate the Potential for Behind the Meter Energy Storage (BTMS) to Mitigate Costs and Grid Impacts of Fast EV Charging

<u>Key Question</u>: What are the *optimal* system designs and energy flows for thermal and electrochemical behind-the-meter-storage with on-site PV generation enabling fast EV charging for various climates, building types, and utility rate structures?



6 ASHRAE Climate Zones



5 Building Types with Varying EV Charging Demand

Corner charging station, Retail big-box grocery store, Fleet vehicle depot, Commercial office building, Multi-family residential



Thousands of Utility Rate Structures Across U.S. (and changes very likely)

Approach: Other Important Questions

- 1. What is the <u>sensitivity</u> of analysis results to the variability of <u>location</u>, <u>building loads</u>, <u>EV charging</u> <u>demands</u>, <u>and component costs</u>, <u>and combinations</u> of each case within those categories?
- 2. What <u>research achievements (e.g., material characteristics for thermal energy storage, battery</u> material costs and lifetime, PV deployment) would increase the economic viability of the various configurations of BTMS at multiple locations?
- 3. What level of improved <u>iterative feedback modeling (controls)</u>, informed by BTO research on TES and VTO research on battery degradation, would be necessary to optimize sizing and designs for subsystem components (PV, battery size and operation, thermal storage)?
- 4. What is the potential energy savings, GHG emissions reduction, PV energy generation, and EV demand coverage in different locations <u>across the U.S.</u>, as a function of technical and cost improvements?

Approach: The EnStore Model - High-Level Architecture

Utilize existing models where appropriate and update them to evaluate the interaction between components at physics-based resolution



Approach – Sensitivity Analysis is Critical for Understanding Important Cost Levers and Optimal Configurations

The design and configuration of a BTMS system depends on many factors:

- Climate: building energy use, battery conditioning, battery lifetime, efficiency of EVs
- Utility rate structures: demand and time-of-use charges, cost of energy
- Connection to the grid: infrastructure improvement costs (and can BTMS help reduce or defer these costs)
- Building type energy demand profiles, space limitations, population served
- Capital costs batteries, thermal energy storage (TES), EVSEs, PV, power electronics
- Controls algorithm when to dispatch stationary battery and TES; EnStore now uses supervisory model predictive controls (MPC)
- Storage operation battery and TES state-of-charge, discharge/charge rate, temperature

Parameters are varied separately and in combination, leading to tens-of-thousands of simulations, necessitating high-performance-supercomputing and advanced visualization techniques

Approach: Improve Representation of Thermal Energy Storage Using Data From Companion Lab Research Project



Lab data from TES research was used to develop a novel TES model to update EnergyPlus to better reflect outlet temperature and ensure more accurate integration of TES in BTMS

Laboratory research project on TES, project #34667, Jason Woods PI

Approach: Start with Representative Buildings, Climates, Utility Rate Structures, and EV Charging Profiles

These scenarios were chosen as **examples** to demonstrate BTMS response to different building and EV electricity demands







Approach: Evaluate the Impact of Utility Rate Tariffs

CONED

Consolidated Edison: monthly demand charges that range **5.36 - 16.7** \$/**kW** and TOU demand charges up to **23.89** \$/**kW**; flat energy rates

Demand Charge Schedule

Weekday Schedule



Energy Charge Schedule

 Weekday Schedule

 Jan
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1
 1

PGE

Pacific Gas & Electric: flat demand charges of **15.97 \$/kW** and TOU demand charges up to **20.62\$/kW**; TOU energy charges

Demand Charge Schedule





Weekday Schedule



There are over 7,000 utility rate tariffs in the U.S. These rates were chosen as **examples** to represent various types of tariffs and demonstrate BTMS response to differing time of use (TOU)/demand charges and electricity prices

XCEL

Xcel Energy: constant demand charges at **5.63** \$/kW, but energy charges vary much more than those of CONED

Demand Charge Schedule



Energy Charge Schedule

Weekday Schedule



Results preview: Utility rate schedules have a <u>significant impact</u> on LCOC and system configuration.

Progress: Results for Big Box Grocery Store

4 Climates, 3 Utility Rate Structures, 2 Charging Demands

Utility rate structure has a big impact on LCOC, PV size, and battery size

Location (climate), while important, has a smaller impact because EV charging demand dominates costs. With less EV demand, climate results in different building energy use

Battery Cost = \$120/kWh |\$ 540/kW PV Cost: \$1600/kW EVSE cost per port: \$185,000

NOTE: Results are for a specific scenario; do not generalize to other cases

Medium Station Utilization

6 PORT 12 EVENT 350 KW STATION







High Station Utilization

6 PORT 20 EVENT 350 KW STATION



Progress: Optimal Design of BTMS for a Big Box Grocery Store

- The next three slides show the following results for a big box grocery store:
 - Energy flows for one day of operations
 - <u>Optimum</u> levelized cost of charging (LCOC) (¢/kWh) for each scenario
 - LCOC as a function of PV and battery sizes
 - LCOC without PV and stationary batteries (no BTMS)
- For the following conditions:
 - Big box grocery store with 6 ports, 20-events per port per day (medium facility utilization)
 - 350 kW fast EV charging
 - 4 example climates
 - 3 example utility rate structures

EVSE Cost = \$185,000/port Battery Cost = 120 \$/kWh, 540 \$/kW PV Cost: \$1600/kW









Impact: The Energy Use and Energy Cost Benefits of BTMS with PV Can Be Quantified



Big Box Grocery Store with PG&E Rate Structure in a Hot & Humid Climate

Annual Electricity <u>Cost Reduction</u>: With PV: 19% With BTMS + PV: 41%



NOTE: Results are for a specific scenario; do not generalize to other cases

LCOC is Lowered if EV Charging is Behind the Same Meter as Building Because the Battery Can Help with Building Energy Loads Hot & Humid Climate with PG&E Rate Structure Scenarios



Impact: EnStore is Ready for Evaluation of BTMS Across the U.S.

- EnStore can now evaluate more than half-a-billion scenarios (but that's not helpful)
 - 21 battery sizes(+/- 150% of REOpt seed value)
 - 1 thermal energy storage size (more coming soon)
 - 9 PV sizes (+/- 150% of REOpt seed value)
 - 6 ASHRAE climate zones (accessed from <u>https://www.ashrae.org</u>)
 - 7,000 utility rate tariffs (accessed from the Utility Rate Database: <u>https://openei.org/wiki/Utility_Rate_Database</u>)
 - 16 EV charging profiles (more to be developed)
- For FY22, we are planning to run ~1 million scenarios
 - 153,000 allocation units have been requested on the NREL High Performance Supercomputer (HPC)
- Automated post-processing and visualization now assist the team with analysis of all these scenarios and will soon allow others to access results
 - End-of-year FY21 milestone is a web-based interactive visualization tool for scenario exploration by audiences outside of project team such as DOE and industry stakeholders
 - FY22 visualizations will include maps of results and estimations of the total impacts of BTMS across the U.S.

Summary

- > BTMS can improve the economics of buildings systems that provide fast-EV charging
- > The EnStore Model answers the key question for integrated buildings:
 - What are the optimal system designs and energy flows for thermal and electrochemical behindthe-meter-storage with on-site PV generation enabling fast EV charging for various climates, building types, and utility rate structures?
- Without sufficient model resolution and physics-level data, the most effective design and use of energy storage cannot be determined, as EV charging demand and battery response time is "spiky".
- Integrated model predictive controls are required to co-dispatch batteries and thermal energy storage.
- > EnStore can identify the most economic means of deploying BTMS across the U.S.

Collaboration and Coordination

- This project is part of the wider BTMS R&D project (# bat442)
 - Team of Five National Laboratories: Sandia National Laboratory, Argonne National Laboratory, Idaho National Laboratory, Pacific Northwest National Laboratory
- This project is funded by VTO, BTO, and SETO, leading to collaboration with researchers in the vehicles, buildings, and solar energy fields
 - In particular, this project regularly works with building researchers focusing on thermal energy storage for grid-interactive buildings and battery researchers
- These collaborations are ongoing, with weekly, monthly, and quarterly meetings, as well as informal project discussions
- <u>These collaborations are essential for the partnership between analysis and R&D research.</u> The research project provides input data and technical context for EnStore scenarios. The EnStore analysis project provides insight into the critical technical levers and research targets needed to meet the objectives of greater electrification of transportation and fast EV charging.

Proposed Future Research

Will be addressed by end of FY21:

- Finalize scenarios and <u>run model across full parameter space</u>.
 - We have run scenarios for 4 of 5 building types, 4 of 6 climate regions, battery costs, PV costs, battery lifetime, and impact of battery chemistry
 - <u>Public-facing visual interface</u> for exploring the potential of BTMS under different changing scenarios
- On Thermal Energy Storage Model for Evaluation in EnStore
 - Run with <u>multiple tanks</u>
 - Develop model predictive controls for TES (When to start charge/discharge, chiller power trimming)
 - Optimize day-ahead chiller setpoints and ice discharge rates to meet load and objective (e.g., utility cost) given fixed tank size
 - Implement model predictive controls for entire facility to <u>co-dispatch of battery and TES</u>

To be addressed in FY22*:

- Financial impact of <u>deferred upgrades</u> to electric distribution on financial viability
- Exploration of the benefits on cost and building energy with <u>additional grid-integrated-building services (e.g., resiliency, grid storage)</u>
- More detailed visualization of results

Other proposed research*:

- <u>Greenhouse gas emissions</u> savings compared to no BTMS at locations across U.S. and at different levels of EV deployment
- <u>Validate</u> EnStore energy-flow results on charging systems at ARIES scale; improve model predictive controls algorithms
- <u>Partner</u> with charging & vehicle industries to validate market results
- Evaluate <u>demand management</u> of EV charging and building energy

*Any proposed future work is subject to change based on funding levels.

We gratefully acknowledge support and guidance for this work from the DOE-EERE Offices: Buildings Technologies Office: Erika Gupta, Sven Mumme, Nikitha Radhakrishnan, and David Nemtzow Office of Vehicle Technologies: Samuel Gillard, Steven Boyd, and David Howell Solar Energy Technologies Office: Andrew Dawson and Dr. Becca Jones-Albertus)

EnStore Project Team: Eric Bonnema, Brennan Borlaug, Madeline Gilleran, Darice Guittet, Chad Hunter, Monte Lunaceck, Margaret Mann (PI), Matt Mitchell, Kristi Potter

Thermal Energy Storage: Jason Woods, Karl Heine Solar PV Energy: Monisha Shah, Robert Margolis Battery Science and Lifetime Modeling: Kandler Smith, Paul Gasper, Matthew Shirk, Matthew Keyser, Erik Dufek EVI-EnSite for EV Load Profiles: Andrew Meintz, Ahmed Mohammed, Partha Mishra, Eric Wood, Chris Neuman NREL Project leadership and guidance: Anthony Burrell, Roderick Jackson, Judith Vidal, John Farrell, Mary Werner



Thank You

OTHER DESIGNATION.

SF

NATIONAL RENEWABLE ENERGY LABORATORY

U.S. DEPARTMENT OF

ENERGY

Margaret Mann National Renewable Energy Laboratory <u>margaret.mann@nrel.gov</u>

Additional Progress & Reference Slides

FY2020 – milestone details

| Milestone Description | Due Date | Status |
|---|---------------------------|----------|
| MS 1: Summary of inputs and outputs for models included in the EnStore modeling framework, with accompanying draft functional relationships. | FY21 Q1 12/31/201 9 | Complete |
| MS 2: Consult with an industrial advisory committee on research plan. NREL shall hold a webinar presentation to the TAC by the end of Q1. Perspective on assumptions, methodologies, and plan will be collected from all TAC members and shared with DOE. | FY21 Q2 3/30/2020 | Complete |
| MS 3: Summary of range and probability distributions of EV electric load profiles-using EVI-Pro. | FY21 Q3 6/31/2020 | Complete |
| MS 4: Summary of thermal and electric load profiles from the building types described in the Project Summary, as inputs to the EnStore Model. | FY21 Q4 9/30/2020 | Complete |

FY2021 – milestone details

| Milestone Description | Due Date | Status |
|---|-----------------------|--------------------------|
| Summary of results and insights from EnStore runs of <u>initial scenarios</u> , focusing on the sensitivity of analysis results to the variability of location, building loads, EV charging demands, and component costs, and combinations of each within these categories. | FY21 Q1 12/31/2020 | Complete |
| Summary of the incorporation of <u>different controls</u> <u>strategies</u> and the effects on results and insights. | FY21 Q2 3/30/2021 | Complete |
| Summary of EnStore results of <u>incorporation of data</u> from the VTO-funded BTMS research project on <u>battery testing</u> and validation and data from the BTO- funded research project on <u>thermal energy storage</u> (TES). | FY21 Q3 6/31/2021 | Complete |
| Interactive visualization tools for scenario exploration by audiences outside of project team such as DOE | FY21 Q4 9/30/2021 | In-progress; on-track |
| and industry advisors. | | |

| Budget History | | | | | | Planned | | | |
|----------------|-------------------------------------|--------|---------------------------------------|------------|-------------|------------------------|-------|------|----------------|
| FY 2 (pa | FY 2020 FY 2021 (past) (current) | | % of Budget Received Spent-to-Date | | | FY 2022 – (planned) | | | |
| DOE | Cost- share | DOE | Cost- share | DOE BTO | DOE SETO | DOE VTO | Total | DOE | Cost- share |
| \$1M | N/A | \$1.1M | N/A | 71% | 100% | 54% | 68% | \$1M | N/A |

Variances From Plan: None Additional Funding: None

Approach: Assess Optimal Design with Financial Metrics

EnStore uses the standard financial approach known as discounted cash flow (DCF), which takes into account the time value of money throughout the project lifetime. EnStore uses a base discount rate of 8.6% (real).

- Levelized Cost of Charging (LCOC) ¢/kWh to vehicle owner
 - The minimum levelized revenue per unit of electricity sold in the EV charging station required to recover the costs of the BTMS equipment over its financial life
 - <u>Research Question</u>: What is the minimum cost of electricity that needs to be charged to EV owners in order to pay back all of the capital and operating costs over the lifetime of the operation. How does this compare with the cost of charging without BTMS or elsewhere?

• Levelized Cost of Electricity (LCOE) - ¢/kWh to building owner

- The average revenue per unit of electricity generated in the building that would be required to recover the costs of the BTMS equipment over its financial life
- <u>Research Question</u>: If we installed the BTMS assets, what would the relative (energy-cost) impact to the building owner be?
- Net Present Cost (NPC) \$
 - The present value of all the costs the system incurs over its project lifetime
 - <u>Research Question</u>: What will it cost (in today's dollars) to install and operate a BTMS system?

* Future EnStore assessments can include the ability to assess the lowest carbon-emitting configuration

Calculation of LCOC

The levelized cost of charging (LCOC) is the minimum selling price that the station owner must charge in order to pay back all capital and operating costs over the lifetime of the facility.

Important note: LCOC is not the market cost of charging a vehicle. Higher market costs will mean that the BTMS station is more profitable. Lower market costs will mean that the BTMS station owner is unable to recover all investment costs.

$$LCOC_{baseline} = \left(\frac{\mathbf{C'}_{EVSE+building} - \mathbf{C'}_{baseline\ building\ only}}{\mathbf{E'}_{BEV}} \right)$$

$$LCOC_{BTMS} = \left(\frac{\mathbf{C'}_{EVSE+building+BTMS} - \mathbf{C'}_{baseline\ building\ only}}{\mathbf{E'}_{BEV}}\right)$$

 C'_i = vector of discounted cash flows (costs) for system E'_i = vector of discounted energy flows going to item i BEV = battery electric vehicle

<u>Research Question</u>: How does the LCOC compare with the cost of charging without BTMS or elsewhere?

E+ Built-In Model Lacks Specific Details

EnergyPlus has been updated to better estimate behavior of TES. Examples of simplified, hard-coded values, and absent parameters are shown here.



TES Impacts with New Model Chiller Trimming

(Tank Size and Controls Not Optimized)





TES Impacts with New Model; Lower-Load Day

(Tank Size and Controls Not Optimized)

Chiller Turns Off Between 12:00-6:00 PM



Approach: Include Data-Derived Battery Lifetime Data in EnStore (FY21 Q3 milestone)

The BTMS R&D Project is developing cobalt-free batteries and evaluating their lifetime characteristics Curves & equations developed by Matt Shirk (INL), Paul Gasper (NREL), & Kandler Smith (NREL), under VTO project #bat442, for LMO/LTO battery chemistry. EnStore now uses standard lifetime curves for currently commercial batteries.





Cycling degradation rate is predominantly a function of temperature and depth of discharge (DOD). *More data will help to identify a more complex model, capturing both convex and concave fade behaviors.*

Model predictions for T < 40 ° C are reasonable, given the convex behavior of the experimentally-observed degradation at those conditions. Above 40 ° C, predictions are very optimistic given mismatch with concave degradation observed at 30 ° C

Sensitivity Analysis of Battery Cost

One climate zone & one utility rate tariff; *EVSE cost kept constant*

Utility Rate: CONED Location: TAMPA EV Load Profile: 2 PORT 16 EVENT 350 KW EVSE \$/port = \$185,000 per port Battery \$/kWh = 120 | 270 | 470 Battery \$/kW = 540

Here, optimal battery size varies drastically (from 12,271 kWh to 10,518 kWh to 7,012 kWh), based on input battery price

The "LCOC without System" or LCOC without any PV or battery stays constant at 43.2 ¢/kWh

The battery cost assumption has an important impact on optimal LCOC & design





LCOC without System (¢/kWh): 44.2

For a corner charging station, the utility rate structure has a more significant impact on results than climate. This is largely due to the low energy use of the building.

Other buildings, especially grocery stores, will have greater location impacts.

Related to the figures on this slide:

- **Utility rate** has a big impact on LCOC, battery size, PV size, and battery discharge power
- **Location (climate),** while important, has a smaller impact because EV charging demand dominates costs

Corner-type Charging Station Battery Unit Cost = \$120/kWh |\$ 540/kW PV Unit Cost: \$1600/kW EVSE cost per port: \$185,000

Medium Station Utilization: 6 ports, 20 events/port/day, 350 kW/port High Station Utilization: 6 ports, 12 events/port/day, 350 kW/port

LCOC = levelized cost of charging

NOTE: Results are for specific scenarios; do not generalize to other cases

Medium Station Utilization







High Station Utilization







Example Results for a Corner Charging Station



Example Results for a Corner Charging Station



Minimum LCOC (¢/kWh)

Example Results for a Corner Charging Station



- 40

35

-25

20

- 15

10

5

0

.COC - 30

(¢/kWh)

Accomplishments: BTMS Can Reduce the Costs of Fast EV-Charging

Corner Charging Station, Medium Station Utilization



Stay tuned for the results of more scenarios (being examined now)

What's the value of these BTMS cases relative to fueling a vehicle with gasoline?

For a <u>corner charging station</u> with 6 ports, 12events per port per day, with 350 kW fast EV charging:

- Charging an electric vehicle at "reasonable" electricity rates is cheaper than driving with gasoline
- BTMS reduces the cost of fast EVcharging
- BTMS can be an economic means of reducing impacts of fast EV-charging

Important caveats:

- Results are for the specific scenarios shown; may not hold for different building types, utility rates, and capital costs
- Utilities are very likely to change their rate structures as more variable renewables are added to the grid