Solar Integration Workshop Pleanaly

RES integration in Japan

October 16th, 2018

Kazuhiko OGIMOTO

Institute of Industrial Science, Energy System Integration Program the University of Tokyo

After the Earthquake: Deregulation of Power Market

As of 2015



I. Background and Objectives

Japan's Long-term Energy Demand and Supply Outlook

After 4 years from the Earthquake in 2011, the Government of Japan published "Long-term Energy Demand and Supply Outlook (the Outlook)" in huby 2015





FIT Tariffs

	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	Price targets for 2030
Solar (commercial) (10 kW or more)	\40	\36	\32	\29 \27 * * From July 1 (after profit co	\24	\21 (10 kW or but under 2 MW)	\18 (10 kW or more but under 2 MW)			\7
Solar (residential) (Under 10 kW)	\42	\38	\37	\33 \35 ** * Subject to the installation	\31 \33 ** of a power	\28 \30 **	\26 \28**	\24 \26 **	(Ta	Market price rget for 2020 and beyo
Milad			\22 (20 kW or n \55 (unde	nore) er 20 kW)		**** 21 *** (20 kW or more) ***	* \20 ****	\19	\18	\8-9
				\36 (offs	hore wind)		\36(fixed)	****	\36 (floating (floating)	\8-9
				\ 26 (15 M)	W or more)		(30(110011118	****	\26	
Geothermal				\40 (unde	er 15 MW)			****	\40	
	\24 \20 (5 MW or more but under 30 MW)									
	\24 (1 MW or more but under 30 MW) **** \27 (1 MW or more but under 5 MW) ****									
Hydro	\29 (200 kW or more but 1 MW) ****									A :
	\34 (under 200 kW) ****									Aiming for independence
	\39 (fermented methane gas)									from the FIT system over a
	\40 (under 2 MW)								\40	mid- to long
	\32 (wood biomass derived from thinned wood) \32 (2 MW or more)								\32	term
Biomass	\24 \21 Shift to the auction system (10 MW or more) \24 \24 \24 \24 \24 \24 \24 \24 \24 \24 \10 MW or more) \24 \24 \24 \24 \24 \24 \24									
	\24 (biomass liquid fuel) \24 (20 MW or more) \24 (linder 20 MW) (linder 20 MW)									
	\13 (building material waste)									
	\17 (municipal waste; other biomass)								\17	

*** A transitional measure is applied only to wind power projects that are truly being developed. **** Replaced equipment for wind, geothermal and hydro power generation are subject to a tariff lower than that for newly-approved equipment. **** The conditions for applying the rules on the use of general sea areas are will be to the auction system when the rules come in force. By courtesy of Ministry of Economy, Trade and Industry

2. RE and FIT Progress of RE Deployment after the launch of FIT

□ The FIT began in July 2012 after the East Japan Earthquake in 2011.

Due to the favorable FIT tariffs, investment in RE has been stimulated. PV which require short planning and construction period has shown remarkable increase of FIT permission and actual



Supply and demand operation in Kyushu (May 3, 2018)



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First TSO-wide PV curtailment in Kyushu Oct. 13th (Sat.) and 14th (Sun)

電力使用状況の推移



- ・数値は送電端の値です。
- ・0時から0時10分頃は、データが更新されません。予めご了承下さい。
- ・太陽光発電実績は、日射量による推計値を含む九州エリア(本土、離島)の値です。

Rapid integration of solar PV in the Kyushu

http://himawari8.nict.go.jp/

Higher cost of PV: Investment



Wind and solar PV average LCOEs and auction results by commissioning date

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PV system cost for non-residential

Higher cost of RE: Surcharge for electricity



The total amount of the FIT cost and total surcharges per kWh is calculated as follows: (1) The amount for FY2016 is calculated based on the actual FIT cost and total surcharges. (2) Increments up to FY2030 are mechanically calculated on the assumption that additional power generation from renewables is all subject to FIT, where (i) the FIT cost represents the total FIT cost divided by total electricity generated from renewables; and (ii) the amount of surcharges represents total surcharges divided by total amount of electricity.

Source: METI, Subcommittee on Massive Integration of RE and Next-Generation Electric Power Network (2018) http://www.meti.go.jp/shingikai/enecho/denryoku_gas/saisei_kano/pdf/20180522001_01.pdf

Transmission and Distribution Japanese "Connect & Manage"

	Current operation	Direction of revision
(1) Probabilistic evaluation of power flow	Full capacity operation of all generators	Probabilistic evaluation for each generator
(2) N-1 inter-trip	Always secure free capacity for emergency	Release the capacity by inter-tripping in emergency condition
(3) Non-firm access	(Not considered)	Regardless of available transmission capacity, new gird connection is accepted with the condition of curtailment



By courtesy of Ministry of Economy, Trade and Industry

Schedule of developing advanced grid code for RE Ancillary services from RE

June 2018, in a government committee, it was agreed to improve the existing grid code to include advanced ancillary service such as Frequency – Watt control for WIND.

No	Moacuroc	FY2017	FY2018	FY2019	FY2020-	Neto
NO.	Measures	2nd half	1st half 2nd half	1st half 2nd half		Note
1	Test of control functions					•Measurement of active power control and frequency contro by using existing wind generators
2	Effectivity evaluation by frequency simulation	\iff				 Implemented by the wind association and research institutes Measurement based on IEC61400-21-1 Confirmation of each function's contribution to frequency stability
		¢				•Decision of standard functions and specification by the wind association
2	Report of the effectivity of each function	Small ਜੁੱ ਨ	Deve	loping wind generati lation Rule-r	on model naking	① Normal case analysis
3	Consultation with stakeholders	newable		Developing wind Simulation	generation model	② Emergency case analysis
		5 Large		Developing wind Simulation	g <mark>ene</mark> ration model Rule-making	③ Instantaneous case analysis
4	Introduction of active power control and frequency control					 The wind association will consult with wind generators to facilitate active power control and frequency control
5	Practical use of the function					Practical use from 2021 sequentially

Source: METI, Subcommittee on Massive Integration of RE and Next-Generation Electric Power Network (2018) http://www.meti.go.jp/shingikai/enecho/denryoku_gas/saisei_kano/pdf/003_02_00.pdf

Toward developing grid code for wind power



Source: METI, Subcommittee on Massive Integration of RE and Next-Generation Electric Power Network (2018) <u>http://www.meti.go.jp/shingikai/enecho/denryoku_gas/saisei_kano/pdf/003_02_00.pdf</u>

Blackout event in Hokkaido (Sep. 6th) Frequency change and transmission level events

- Early in a morning on Sep. 6th, in Hokkaido, an earthquake destroyed several towers of transmission lines and 3 three coal-fired units in Hokkaido.
- The loss of 1600MW of the thermal generation which is around 50% of the load induced the first blackout in Japan.





Blackout event in Hokkaido (Sep. 6th) Frequency change and transmission level events



Translated from OCCTO: The Investigation Committee on the Major Blackout by the 2018 Hokkaido Eastern Iburi Earthquake https://www.occto.or.jp/en/pressrelease/2018/180919_hokkaidoearthquake_investigation.html https://www.occto.or.jp/iinkai/hokkaido_kensho/files/hokkaido_kensho_01_04_2.pdf



Source:- METI, 17the meeting of Working Group on Grid Connection of Renewable Energy (Sep. 2018) http://www.meti.go.jp/shingikai/enecho/shoene_shinene/shin_energy/keito_wg/pdf/017_06_00.pdf

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Blackout event in Hokkaido Recovery schedule of Supply demand balance (As of 10 Oct)



Thank you

Ogimoto Laboratory, Institute of Industrial Science, the University of Tokyo http://www.ogimotolab.iis.u-tokyo.ac.jp/













IEA PVPS Task 14 Report " Power System Operation and Augmentation Planning with PV Integration" has been published http://www.ieapvps.org/index.p hp?id=322



available in English and Japanese. http://nippon.com/ en/indepth/a00302/ The description of "1. Impact of Scenario Selection" is available in this book which is just published July, 2012. "The integration of variable renewable generation and the evolution of power system" is published in the Magazine of Atomic Energy Society of Japan.(Jan., Feb. and May in 2015) http://www.aesj.or.jp/ atomos/tachiyomi/mih on.html

Historical trend in renewable introduction





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Electric storage installed on the grid



By courtesy of Ministry of Economy, Trade and Industry

Generation mix target in 2030



Energy security, economic efficiency and environment (3E+S)

Collaborative Research Center for By courtesy of Ministry of Economy, Trade and Industry



http://himawari8.nict.go.jp/

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http://himawari8.nict.go.jp/

One-sided introduction of solar PV



Renewable introduction toward 2030 targets



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- I. Bacground and Objectives
- II. FIT and the situation of PV deployment in Japan
- III. Challenges of power system operation in Kyushu-area
- IV. Demand Supply analysis for Future Requirements
- V. Issues and Possible Solutions for Secured System Operation under VRE Penetration
- VI. Conclusion



I. Background and Objectives

Japan's Long-term Energy Demand and Supply Outlook

- Renewable Energy Feed-in-tariff Program (FIT) [] was launched in July of 2012, one year after the Great East Japan Earthquake and Tsunami.
- The heavy and rapid penetration of renewable generation, especially PV, has been affecting the power system operation of each of ten balancing area in Japan depending on the level of the penetration.
- Due to the favorable FIT tariffs, investment in RE has been stimulated. PV with short planning and construction period has shown remarkable increase in FIT permission and actual deployment.

□ In this presentation, we describe

- 1) FIT and the situation of PV deployment in Japan (Section II),
- 2) challenges of power system operation in Kyushu-area, (Section III),
- 3) demand and supply analysis of Kyushu-area (Section IV),
- 4) issues and possible solutions for secured system operation (Section V) and
- 5) conclusion (Section VI).



III. Challenges of power system operation in Kyushu Progress of RE Deployment under FIT

- The Kyushu-area, in a southern island among four main islands of Japan as shown in Figure 1, is the most severely affected area by PV penetration.
- Its peak load is 15 GW and the minimum day-time load is 8GW, and there is 4.6 GW of nuclear power of five units, two units of those are currently in operation.



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III. Challenges of power system operation in Kyushu A. Demand and Supply Situation in the G.W.

- □ During the G.W. of 2017 (from Apr. 29th to May 7th) the highest temperature was 25 °C and the daily peak demands were around 9 GW.
- □ Through the G.W., the Kyushu area's supply capacity was successfully secured enough to hold the occupied capacity at the level of 85%~90%.



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III. Challenges of power system operation in Kyushu A. Demand and Supply Situation in the G.W.

- The lowest demand at 13:00 during the G.W. was 7.2 GW on May 4th (Thursday).
- □ On April 30th, the weather was fine all over the Kyushu Island, the PV output at 13:00 was 5.65 GW and PV share of the demand was 73%.

		Apr. 29 th (Sat.)	Apr. 30 th (Sun.)	May 1 st (Mon.)	May 2 nd (Tue.)	May 3 rd (Wed.)	May 4 th (Thur.)	May 5 th (<mark>Fri.</mark>)	May 6 th (<mark>Sat</mark> .)	May 7 th (<mark>Sun.</mark>)	(ref.) Apr.23 rd (Sun.)
Demand (GW)		8.00	7.70	8. 57	8.51	7.61	7.20	7.69	8. 29	7.26	8.00
West	Fukuoka	F	F	F	C	F	F	F	F	F	F
her(pm)	Kumamoto	F	F	F	C	F	C	F	C	F	F
	Kagoshima	F	F	F	C	C	C	C	F	C	F
PV (PV occupation)		5.38 (67%)	5.65 (73%)	4. 97 (58%)	4. 00 (47%)	3. 51 (46%)	3.26 (45%)	4.06 (53%)	2. 81 (34%)	4. 12 (57%)	6. 07 (76%)

Table 1. Demand and supply at 13:00 during the GW. (F: fine, C: cloudy)



III. Challenges of power system operation in Kyushu

- B. System op. under the highest PV share on April 30
 - At 13:00 when the PV output was at maximum, all the pumped storage plants were in pumping operation, while thermal power plants in low load operation.
 - During ramp-up of PV generation in the morning, pumped storage plants made pumping operation (8 units at maximum) and thermal power plants ramped down the outputs and some were shut down.



III. Challenges of power system operation in KyushuB. System op. under the highest PV share on April 30

- LNG Combined Cycke Gass Turbine (CCGT) plants with shorter start-up time picked up the increase of the residual demand.
- The existing typical start-up time is more than 10 hours for a steam turbine generator, and two hours for a typical CCGT. Four CCGT units were made on-line in 15 minutes on April 30th.



Figure 6. Generation Units Operation during a ramp-up in the evening on April 30th.

III. Challenges of power system operation in Kyushu C. System Op. under the Largest PV Forecast Error on May 5th

On May 5th, the actual PV generation was larger than the forecast by 2 GW at the maximum. As the PV generation fluctuates from the forecast



Figure 7. Generation Units Operation during a ramp-up in the evening on April 30th.

III. Challenges of power system operation in Kyushu C. System Op. under the Largest PV Forecast Error on May 5th

On May 5th, when the actual PV generation was larger than the forecast by 2 GW at the maximum, the actual system operation was modified as follows as depicted in Figure 8.



Figure 8. Operation planning from a day ahead to real-time on May 5th

III. Challenges of power system operation in Kyushu C. System Op. under the Largest PV Forecast Error on May 5th

- Pumped storage plants with short start-up time were useful for the system operation near real time under PV forecast error (Figure 9).
- □ The large generation surplus almost filled up the upper reservoir (Fig. 10).



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A. Assumptions

Analysis Period: 2030

Scenario toward 2030

Japan Government's "Long term energy outlook (2015)"

- Assumptions of Generation facilities and operation
 - Power Supply Plans of Power utilities
 - Demand: variation according to ambient temperature, EV, HPWH
 - Nuclear plants: 20-22% of total generation
 - Coal and Gas Power Plants:40 year life, expansion with reserve margin criteria
 - Oil fired power plants: No addition, no retirement excluding announced ones
 - PV and, wind: Hourly variation of generation
 - Hydro: Monthly variation of generation
 - Interconnection: No expansion, energy exchange



- Variability or Requirement for LFC capability

 Demand variation
 2% of demand
 PV generation variation: ±10% of generation output
 Wind generation var. :±5% of capacity
- Supply of LFC capability
 - -Thermal generator
 - -Pumped hydro

- : $\pm 5\%$ of capacity
 - : ±20% for generation ±20% for pumping (if variable-speed type)

-CHP, Load, and others : not assumed



A. Assumptions: study cases

Case	Generation Dispatch Operation	Interconnection operation	PV capacity (in Japan)	PV capacity distribution				
Ei_PV108p/ Ei_PV108b	Economic Dispatch	No	108	Proportional/ Biased				
Ee_PV108p/ Ee_PV108b	Economic Dispatch	Energy only	108	Proportional/ Biased				
Eb_PV108p/ Eb_PV108b	Economic Dispatch	Energy and balancing capacity	108	Proportional/ Biased				
Pe_PV108p/ Pe_PV108b	RE Priority Dispatch	Energy only	108	Proportional/ Biased				
Note:PV capacirty in Kyushu: 10.1 GW in the propotional scenario (p) 19.8 GW with the biased scenario (b)								

 TABLE 2. Study cases of demand and supply analysis

B. Methodology



Β.

Methodology: Example of outputs





Example: Hourly demand and supply balance

Example:Interconnection energy

-0.4

-0.5

BCE lower limit

-D-Balancing cap. exchange



9 11 13 15 17 19 21 23

-2

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1

7 -5

-2.5

C. Results: Generation capacity and production



Figure.12 Assumed generation capacity portfolio in Kyushu-area in 2030

Figure 13 Annual generation by type in 2030



C. Results: Curtailment

The cases of energy and balancing capacity interchange (Eb PV108) have less curtailment ratios than those with energy only interchange (Ee PV108).
 The cases of priority dispatch (Pe PV108) have the least curtailment ratios among all the cases.



C. Results: Fuel cost and Unit Fuel Cost

Under energy only interchange, cases with priority dispatch (Pe PV108) have less unit cost (/kWh) than those with economic dispatch (Ee PV108) due to constrained thermal dispatch.



Figure 15 Annual total fuel cost in Kyushu area

Figure 16 Annual unit fuel cost of thermal generation in Kyushu area



D. Implications from the analysis

- The proportional deployment of PV is economically superior to the biased deployment.
- □ The economic dispatch is economical than the RE priority dispatch.
- The energy interchange is more cost effective than no interconnection, and "energy and balancing capacity exchange" is further more cost effective.
- For evaluating reliability and stable operation of a power system, it is necessary to simulate forecast errors of power demand, PV, and wind generation forecast, dynamic phenomena including as frequency regulation and frequency dip after major disturbances.
- □ As the penetration of RE increases, we need more sophisticated framework of analysis and evaluation reflecting technology and institution.

Related Article:

Impact of Photovoltaic Yield Forecasting on Future Power System Operations in Japan

Y. Udagawa, K. Ogimoto, J. Gari da Silva Fonseca (University of Tokyo, Japan), H. Ohtake (National Institute of Advanced Industrial Science and Technology, Japan), S. Fukutome (JP Business Service Corporation, Japan)

- Although several forecast methods of RE generation are used in system operation in Japan, it is impossible to perfectly avoid large errors.
- The forecast methods are requested to offer probability information and reduce forecast errors by short-term forecast.



V. ISSUES AND POSSIBLE OLUTIONS FOR SECURED SYSTEM OPERATION B. Robust System Operation

- RE priority dispatch, being logically a constraint on an operation, reduces the economy, as shown in Chapter III, and stability of the operation.
- In the stage of massive VRE penetration, it is necessary to abandon RE priority dispatch.
- It is also important to enhance the system operation by closing decision making nearer to real time utilizing best-available data and information through monitoring and forecast.



v. issues and possible olutions for secured system operation C. Enhanced Plant Operation

- Under the inevitable generation forecast error, centralized generation fleet are requested more flexible operation.
- With coal- and gas-fired plants, it is necessary to enhance their operational flexibility including a shorter start-up time, a smaller minimum load, and faster output change.
- Pumped hydro plants, which simultaneously offer larger residual load and frequency regulation service, are expected more flexible weekly operation, simultaneous pumping and generation within a plant, if necessary.



v. issues and possible olutions for secured system operation D. Essential RE Plant Operation

- Although grid codes which prescribe the required functions and performance of RE plants are gradually being established in many countries. there arise many additional issues and requirements,
- The additioanl issues should be reflected in a design of RE plant so that they can be utilized in a power system operation effectively.
- Among the issues and requirements, control/management of numerous distributed RE such as roof-top PVs is the emerging challenges.
- The challenges of the treatment of numerous and distributed resources include not only RE plants but also diversified demands and energy storages.



VI. CONCLUSION

- With the massive and geographically-biased PV penetration under the FIT program, several balancing areas are experiencing emerging difficulties of power system operation.
- Comparing the current difficulties and the results of demand and supply analysis, there are several possibilities to improve the RE integration in a sustainable manner.
- The demand and supply analysis of this time assumed a perfect forecast of RE generation and simple planning process of system operation. So as to expand the scope to evaluate security and stable system operation, the study will be continued so that it includes forecast error and multi-step system planning process.

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