Title
Microgrids and Heterogeneous Security, Quality, Reliability, and Availability

Permalink
https://escholarship.org/uc/item/37g6412b

Author
Marnay, Chris

Publication Date
2007-01-31
Microgrids and Heterogeneous
Security, Quality, Reliability, and
Availability

Chris Marnay

Environmental Energy
Technologies Division

31 January 2007

To be presented at the 2007 Power Conversion Conference
Nagoya, Japan, 4 April 2007

The work described in this report was coordinated by the Consortium for Electric
Reliability Technology Solutions with funding provided by the California Energy
Commission, Public Interest Energy Research Program, through the University of
California/California Institute for Energy Efficiency under Work for Others Contract No.
500-04-024, and by the Office of Electricity Delivery and Energy Reliability,
Distribution System Integration Program of the U.S. Department of Energy under
Contract No. DE-AC02-05CH11231.
Disclaimer

This document was prepared as an account of work sponsored by the United States Government. While this document is believed to contain correct information, neither the United States Government nor any agency thereof, nor The Regents of the University of California, nor any of their employees, makes any warranty, express or implied, or assumes any legal responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would not infringe privately owned rights. Reference herein to any specific commercial product, process, or service by its trade name, trademark, manufacturer, or otherwise, does not necessarily constitute or imply its endorsement, recommendation, or favoring by the United States Government or any agency thereof, or The Regents of the University of California. The views and opinions of authors expressed herein do not necessarily state or reflect those of the United States Government or any agency thereof, or The Regents of the University of California.

Ernest Orlando Lawrence Berkeley National Laboratory is an equal opportunity employer.
Microgrids and Heterogeneous Security, Quality, Reliability, and Availability

C. Marnay
Ernest Orlando Lawrence Berkeley National Laboratory, U.S.A.

Abstract—This paper describes two stylized alternative visions in popular currency of how the power system might evolve to meet future requirements for the high quality electricity service that modern digital economies demand, a supergrids paradigm and a dispersed paradigm. Some of the economics of the dispersed vision are explored. Economic perspectives are presented on both the choice of homogeneous universal power quality upstream in the electricity supply, and also on the extremely heterogeneous requirements of end-use loads. Finally, the potential role of microgrids in delivering heterogeneous power quality is demonstrated by reference to two ongoing microgrid tests in the U.S. and Japan.

Index Terms—cogeneration, dispersed storage and generation, power quality, power system economics

I. INTRODUCTION

Consumption of electricity continues to grow in developed economies. For example, U.S. consumption of electricity is forecast to increase roughly by half over the current quarter century [1]. Most analysts anticipate a role for dispersed resources in the much expanded generation capacity that will be required to meet the seemingly inexorably expanding demand. Herein, dispersed resources are considered to be generation with capacities too small to directly participate in wholesale markets, e.g. ≈1-2 MW, such as small-scale combined heat and power (CHP) installations, photovoltaics (PV), small fuel cells, local heat and electricity storage, etc.

The dominant theme of current thinking about the development of such dispersed generation is in terms of the value it can provide to its owner and to the wider existing power system, and the technical challenge of integrating it into the current power system. But the existence of dispersed energy sources and controlled sinks possibly grouped in microgrids that exercise some autonomy may ultimately change the nature of the familiar grid itself more fundamentally. Rapid (if not accelerating) technological change surrounds us, and the nature of the power system will inevitably evolve over time. Emerging dispersed resource technologies cannot be divorced from this process; indeed, they may serve as one of its many engines. Trends emerging in the power system suggest that the centralized paradigm that has dominated power systems for the last century may eventually be replaced, or at least diluted, by an alternative one in which control is more dispersed, and universal quality of service is replaced by heterogeneous service tailored to the requirements of classes of end-uses.

II. BACKGROUND

Our current power delivery paradigm has been in place worldwide for a long time, i.e. since the emergence of polyphase AC systems around the turn of the last century. In outline, this dominant paradigm consists of large-scale central station generation, long distance bulk transmission of energy over centrally operated high voltage meshed grids, and local distribution at ever lower voltages through simpler partially locally managed unidirectional radial lines. A key feature of this structure is that universal service power is, in principle, delivered at a consistent level of security, quality, reliability, and availability (SQRA) throughout large regions. For example, SQRA targets are consistent virtually all across North America, and where standards cannot be met, it is usually the result of a local technical difficulty and not the outcome of a deliberate attempt to deviate from the universal norm. This predictability of service delivers an enormous economic benefit because all types of electrical equipment can be built to meet a homogeneous universal standard, and indeed the traditional paradigm has served developed economies well for a very long period during which the uses for and consumption of electricity have increased enormously, even at times spectacularly. As is often observed, modern life as we currently experience it seems impossible without such ubiquitous, universal, reliable, high-quality power. To be clear, higher SQRA is unequivocally better than lower, i.e. it is an economic good; our current dilemma springs from the technical challenge and cost of improving SQRA. Changes in expectations for our power supply system on both the supply and demand sides are bringing us to a turning point in its evolution and quite possibly to the first paradigm shift in over a century. Improving traditional universal service to the point at which it can meet the requirements of sensitive loads may be unnecessarily costly. The changes on the demand-side result from our seemingly unquenchable thirst for electricity in an emerging digital age that is significantly tightening our SQRA requirements for some applications, while on the supply-side, concerns about terrorism, restrictions on

The work described in this report was coordinated by the Consortium for Electric Reliability Technology Solutions with funding provided by the California Energy Commission, Public Interest Energy Research Program, through the University of California/California Institute for Energy Efficiency under Work for Others Contract No. 500-04-024, and by the Office of Electricity Delivery and Energy Reliability, Distribution System Integration Program of the U.S. Department of Energy under Contract No. DE-AC02-05CH11231.

1 The usage adopted here follows Gellings, Smutyj, and Howe [3].
system expansion, and the uncertainties of volatile markets in energy-short times bring our ability to maintain current standards into doubt [2].

III. ALTERNATIVE VISIONS

The schematics in Figs. 1 and 2 below show two alternative visions in current currency of how the power system might be retooled to provide high SQRA, a supergrids view, and a dispersed paradigm. These are only two stylized representations of many possible paths, and full justice cannot be given here to the technical intricacies of any specific vision. The intent is only to contrast in a comprehensible way the central theme of multiple divergent alternatives. For more detail on a supergrids leaning view, see Gellings et al, Amin, or Amin and Wollenberg [3,4,5]. A comprehensible vision for a dispersed grid is presented by the European Commission, or, for other voices from the dispersed camp, see Lasseter or Marnay and Venkataramanan, but these are by no means the only contributors to this ongoing debate [6,7,8].

The x-axis in both figures roughly covers the historic development of the existing power supply system, while the y-axis in both figures simply shows availability in nines together with the equivalent annual expected outage duration. Other dimensions of SQRA are harder to portray so they do not appear explicitly, but somewhat more abstractly; similar arguments can also be made with respect to them. Typical U.S. electricity service today is in the 3-4 nines range or a few hours of expected annual outage, which is poor performance relative to most developed countries. Japan, for example, achieves significantly higher reliability, approaching 5 nines or only a few minutes of expected annual outage, and in certain favorable regions, even higher performance is achieved.2 As the large grids curve shows, over the last century, improved technology and interconnection over larger areas have steadily improved reliability. Nonetheless, in the U.S. case, following the northeast blackouts of the 1960s and 1970s, the need to provide local backup sources for critical loads was recognized and introduced to building codes and other regulations. A formal dispersed electricity supply system shown by the solid dispersed resources curve was thereby established, primarily in the form of the now ubiquitous diesel back-up generator.

A. Supergrids Vision

The steady rise of sensitive loads over more recent times has led to widespread additional use of backup generators, uninterruptible power supplies, and other equipment to ensure high quality energy supply to such loads. Protecting them from service that deviates from standards is at the heart of the divergence in visions. There are actually two types of sensitive loads, ones motivated by the business importance of high value added or “mission critical” loads, e.g. data centers, and ones required to guarantee vital services, most importantly those required for emergency response. The supergrids camp holds that deployment of diverse suites of new technologies can significantly improve the performance of all elements of the power supply chain built around the traditional paradigm, as shown in Fig. 1 by the lower dashed line. Despite the goal of across-the-board technical improvement, much of the improvement inevitably must come in the distribution system because most outages occur there, over 90% in the case of the U.S. It forms the most vulnerable link because of its sheer size and dispersion, as well as its exposure to the myriad hazards of extreme weather, accidents, and mischief. Even in the supergrids view, inevitably there will be end-uses that require SQRA beyond even the performance of the much enhanced delivery chain, but these can be kept to a minimum. Much attention is paid in this framework to the risk that dispersed resources pose to the overall supply chain. The extra locally provided SQRA is shown in Fig. 1 by the upper dashed line. In other words, only the increased performance between the two dashed lines is provided by dispersed resources, representing a small share of all the delivered energy.

B. Dispersed Grid Vision

Fig. 2 shows an example schematic of a dispersed vision whose key feature is increased reliance upon rather than minimization of dispersed resources. In this view, traditional universal grid service is not improved significantly but rather possibly holds steady at current levels. Sensitive loads are then increasingly served locally in two ways: first, improvements in the distribution system (as in the supergrids vision) are deployed to improve on the existing system’s weakest link; and second, widespread

---

2 Note that the 14 August 2006 Tokyo blackout nonetheless demonstrates the fragility of electrical service even in Japan.
use of supply and other resources close to sensitive end-uses protect them at the levels they demand. Finally, in this paradigm, as the lower dashed traditional grid line shows, some deterioration of universal SQRA is possible. This phenomenon is discussed below.

C. Vision Comparison

A number of key differences between the two paradigms should be noted.

1. In the dispersed vision, the performance of generation and high voltage transmission is not called upon to achieve significant improvements, although conversely they are not precluded. The level of bulk power SQRA is determined somewhat independently of end-use requirements based on technical, economic, and security realities. This is perhaps the most important distinguishing feature of the dispersed vision, i.e. it does not depend on significant technical breakthroughs and investment far upstream from the growing energy use and sensitive loads that are the root cause of the current dilemma.

2. Improvements in the distribution system are envisaged in both visions. To some extent they both depend not only on better distribution technology per se, but also on the existence of local generation embedded in the distribution system that permits the provision of reliable service somewhat independently of the upstream power system. Quite possibly in both visions, the distribution system might be able to function without grid power for some periods, deliberately islanding and reconnecting as necessary or beneficial. In this regard, the difference between the two paradigms is simply a matter of degree, with the dispersed vision depending much more heavily on improved distribution rather than improved high voltage transmission.

3. In the dispersed paradigm, local to actual end-use loads (one might say in our current terminology, on the customer side of the meter), a wide range of additional technologies is employed to ensure adequate service to loads requiring higher-than-universal-level SQRA than is being delivered at the meter. The technologies in question include small generators, renewably powered or fossil thermal, possibly with CHP, storage devices, demand control, opportunistic local resources such as low quality non-traditional fuels, power conditioning equipment, etc. In some cases, this equipment may be clustered in electronics based microgrids.

4. This dispersed paradigm represents a major break with tradition in the sense that SQRA of electricity arriving at customer meters might vary with local conditions, and the SQRA at end-use devices varies even more so, based on local requirements. This aspect can be thought of, as is shown in the diagram, as delivered electricity, being of the familiar universal homogenous SQRA upstream, but increasingly heterogeneous downstream depending on the sensitivity or value added of various end-uses. Further, the shaded area in the figure is intended to show that levels of SQRA delivered and how they are achieved are far from resolved, and no definitive dividing line between sources is apparent.

5. It should be noted that in the dispersed paradigm, the optimal level of SQRA could potentially be even lower than current standards, as shown by the declining dashed traditional grid line, whereas in the supergrids paradigm, all links in the supply chain must improve. In other words, in the dispersed vision, if the demanding requirements of sensitive loads are satisfied downstream, then our expectations for the centralized grid upstream might well be lower than today, rather than increase significantly, as in the supergrids view. This concept is explored further in section V. below.

IV. HOMOGENEOUS VS. HETEROGENEOUS SQRA

While outages may be scheduled for periodic maintenance operations on the electrical system, unscheduled outages are generally much more disruptive and threatening to people and property. Outages’ effects include unavailability of certain services and processes, such as refrigeration, manufacturing, etc., plus dependence on on-site backup generation, which is typically costly and environmentally damaging.

In contrast, deterioration in power quality has mixed and less dramatic effects, even if important, and in some cases, very costly. It is caused by deviations in the features of the electrical power delivered to the load, such as voltage sags, swells, harmonics, imbalances, etc, which are triggered by periodic switching operations or by faults in the electrical systems due to weather, wildlife, human errors, etc. If power quality events do not lead to service loss, they become important only when they trigger degradation in end-use service or equipment performance or durability. Thus, from an end-user perspective, power quality and reliability cause similar consequences and costs, while the scale and drama of events might be quite different.

The notion of heterogeneous SQRA (HeQ) is a somewhat new concept in power systems. It exists to some extent in both visions described above, but is central to the dispersed vision, and the nature of HeQ’s role in the dispersed paradigm occupies the remainder of this paper.

The essence of the supergrids paradigm is homogeneous SQRA (HoQ). In principle, near perfect electricity is delivered everywhere in the system at all times; nonetheless, HeQ creeps in because the expensive investments necessary to improve SQRA are unlikely to be made universally and evenly across the system. Indeed, some heterogeneity is routinely tolerated, although it is rarely recognized as such. For example, remote feeders are restored more slowly than ones in densely populated areas; conversely, some key circuits receive exceptional attention, notably ones on which emergency or other vital services are interconnected. These limitations notwithstanding, the objective of the supergrids vision is an extension of the current paradigm in which HoQ is dramatically improved.

In the dispersed vision, as shown in Fig. 2, SQRA diverges from the standard downstream of the substation.

For example, in California, the major utilities have a system for instigating rolling blackouts in times of supply shortfall, but about a third of feeders on which vital services, such as hospitals, reside are exempt.
VI. END-USE HEQ

Various indices for measuring SQRA are often used in quantifying levels of electrical service [9]. While technical analysis of electricity service SQRA can be sophisticated, by contrast, analysis of the economics of the SQRA is at best rudimentary, which makes it difficult to relate its importance to the energy side of power systems. In other words, it tends to be quite easy to measure the energy value of electricity but hard to measure its SQRA value.

It is intuitively appealing to think that delivering SQRA tailored to the requirements of end uses, as is the case in the dispersed paradigm, can generate higher economic benefits than universal SQRA that never quite matches the requirements. Consider the pyramid shown in Fig 4, which illustrates how various electricity uses might be classified according to their PQR requirements. Some common loads, such as pumping, are widely agreed to have low PQR requirements and appear at the bottom of the pyramid, and vice-versa. Other loads can be much harder to classify; e.g., refrigeration is reschedulable in many applications, but might be critical in others, such as

4 Figs. 3 and 4 are taken from Marnay and Venkataramanan [8].
medication storage. At the top of the pyramid, the exposed peak above current standards shows that not all requirements are currently met. The layout of enduses is highly speculative and simply intended to show how HeQ might be considered. More important is the pyramid shape itself. It is clearly not a natural law that low SQRA demanding loads vastly outnumber critical ones, but if we behave economically, we would attempt to make them so. In other words, serving the low requirements loads at the bottom is cheap, and vice-versa for the sensitive loads at the top. We should be trying, therefore, to classify as much of the overall load in the base as possible. For example, for equipment considered a sensitive load, it is often on a small share of the energy that is essential, e.g. to run controls, while much of the energy consumed could be of relatively low quality. In such cases, two qualities of service might be delivered to the respective parts of the device.

Analysis of SQRA in a form like the pyramid could potentially lead to the clustering of like SQRA loads on certain circuits and the provision of electricity of appropriate quality to that circuit, and the disaggregation of some loads into constituent parts of varying SQRA requirements. At the same time, the effective provision of high PQR locally to sensitive loads could potentially lower the societal optimum for grid service, as mentioned above.

Analysis of SQRA in a form like the pyramid could potentially lead to the clustering of like SQRA loads on certain circuits and the provision of electricity of appropriate quality to that circuit, and the disaggregation of some loads into constituent parts of varying SQRA requirements. At the same time, the effective provision of high PQR locally to sensitive loads could potentially lower the societal optimum for grid service, as mentioned above.

VII. MICROGRIDS

In Fig. 2, HeQ is provided locally by embedded generation within the distribution system, by on-site generation and power conditioning equipment, and by microgrid technology. A microgrid is a local cluster of sources and sinks that operates semi-autonomously of the grid, being able to island and reconnect as circumstances dictate. Providing appropriate HeQ to match the requirements of end-uses is a central feature of some microgrid concepts, notably the Consortium for Electric Reliability Technology Solutions (CERTS) Microgrid, and the NTT Facilities microgrid being demonstrated in Sendai, Japan [11,12,13,14]. In the case of the CERTS Microgrid, HeQ is provided by segregation of loads on separate circuits. Critical loads are placed near reliable sources in a grouping that can disconnect and operate islanded without need of fast electrical device controls. In the case of the Sendai microgrid, DC loads are served directly on a circuit dedicated to telecommunications equipment.

VIII. CONCLUSIONS

Our current power system may be entering a period of significant fundamental change of a kind not seen for a century, and currently there are conflicting visions of what form the reshaped industry may take. Some of the uncertainty revolves around the requirements of modern economies for high quality electrical service and the most cost effective way of providing it. One viable possibility is through local control of SQRA in microgrids. In addition to the technology needed to enable such a transition, effectively managing it will require new analytic tools, and new regulatory regimes. Some of the economic and legal issues will require consideration of aspects of electricity service that have heretofore been for the most part beyond our capabilities. Development of new methods of analysis should be undertaken to confront the challenge.

---

5 One effort to gauge the peak power effects of various loads is in Brown and Koomey [10].
IX. ACKNOWLEDGMENT

This work builds on the contributions of my CERTS colleagues, including Joseph H. Eto, Robert Lasseter, Sakis Meliopoulos, John Stevens, and Giri Venkataramanan; on exchanges with colleagues with whom I have organized and attended many microgrid events, Hiroshi Asano, Nikos Hatziargyriou, Reza Iravani, Toshifumi Ise, Farid Katiraei; and on many other past collaborators. Many thanks go to all. Also, Kristina Hamachi LaCommare and Judy Lai assisted with graphics and editing.

X. REFERENCES