

Introduction to Microgrids





PRESENTED BY

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ENERGY NASA

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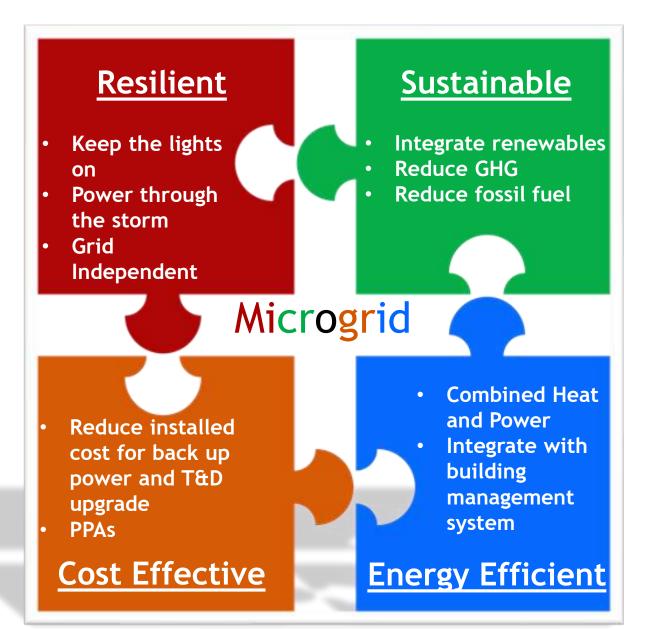
October 14, 2020

SAND2020/10717C

² Outline

- What is a Microgrid
- Microgrid Operation
- Project Process
- Costs and Case Study

Microgrid Benefits





What is a Microgrid?

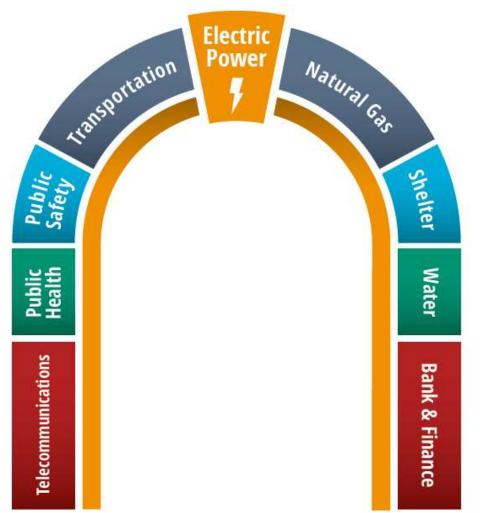


Department of Energy Microgrid Definition

"A microgrid is a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the grid. A microgrid can connect and disconnect from the grid to enable it to operate in both grid-connected or island mode."



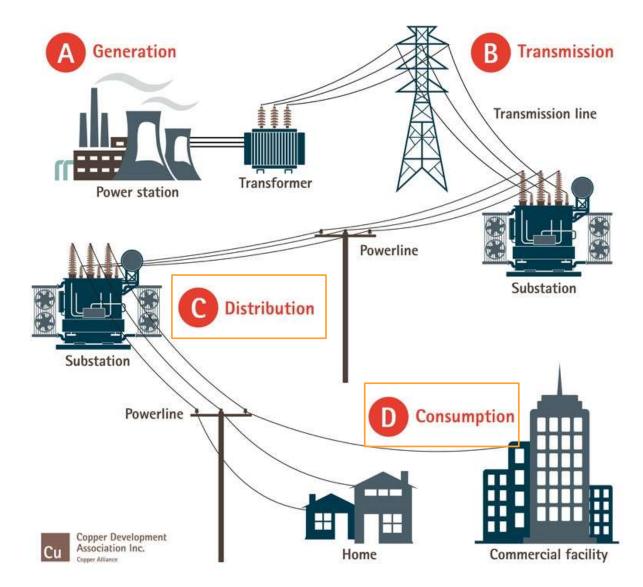
6 Microgrid and Electric Power



The grid is the keystone infrastructure – central to the web of interconnected systems that support life as we know it

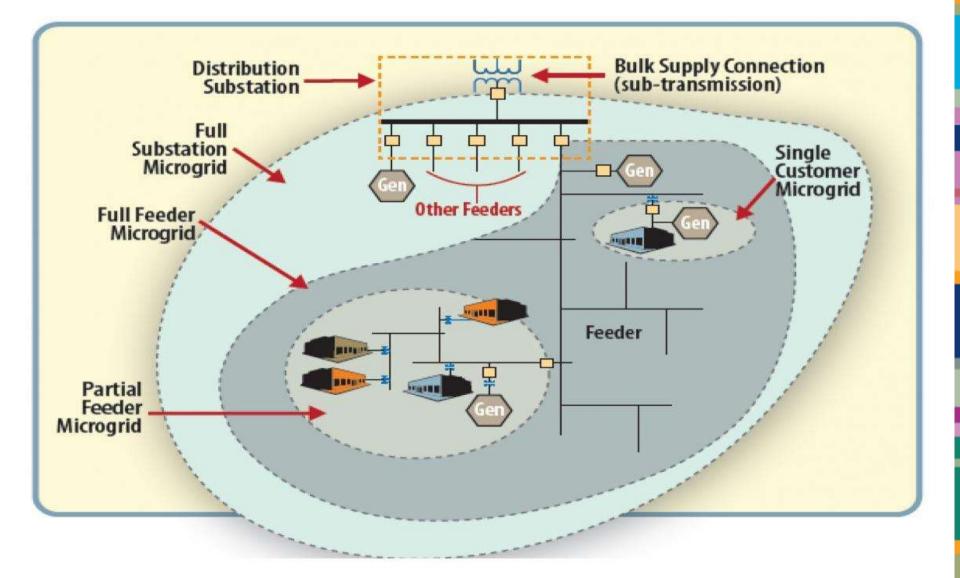
Traditional Electric Grid and Microgrid

7



https://www.copper.org/environment/sustainable-energy/grid-infrastructure/

8 Microgrid Connection Points



9 Microgrid Illustration

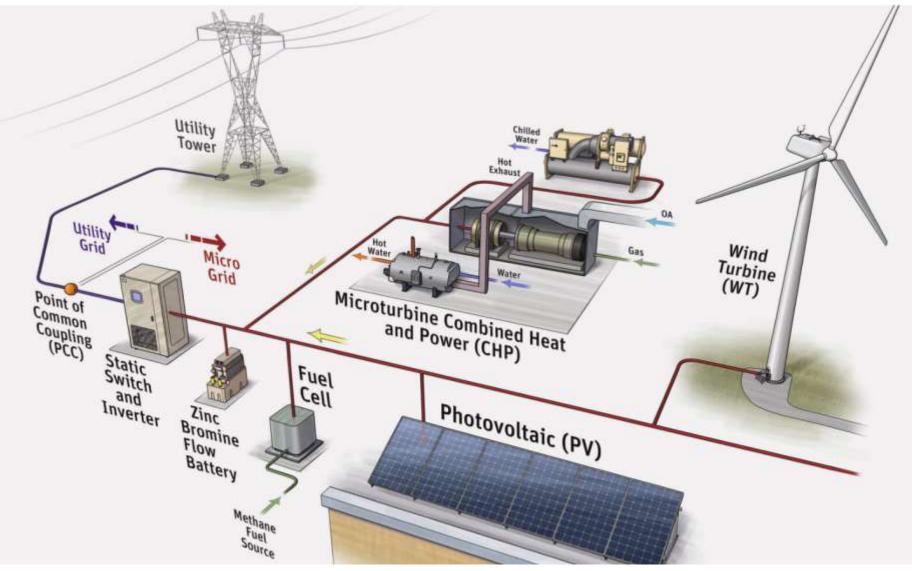
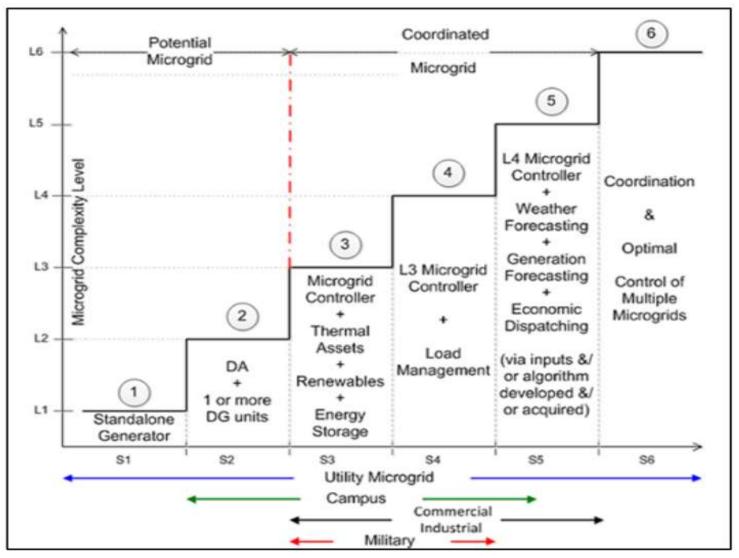


Illustration by Michael Schrader / Affiliated Engineers, Inc. https://aeieng.com/news/economic-and-sustainability-benefits-of-smart-grids-and-microgrids

Microgrid Complexities

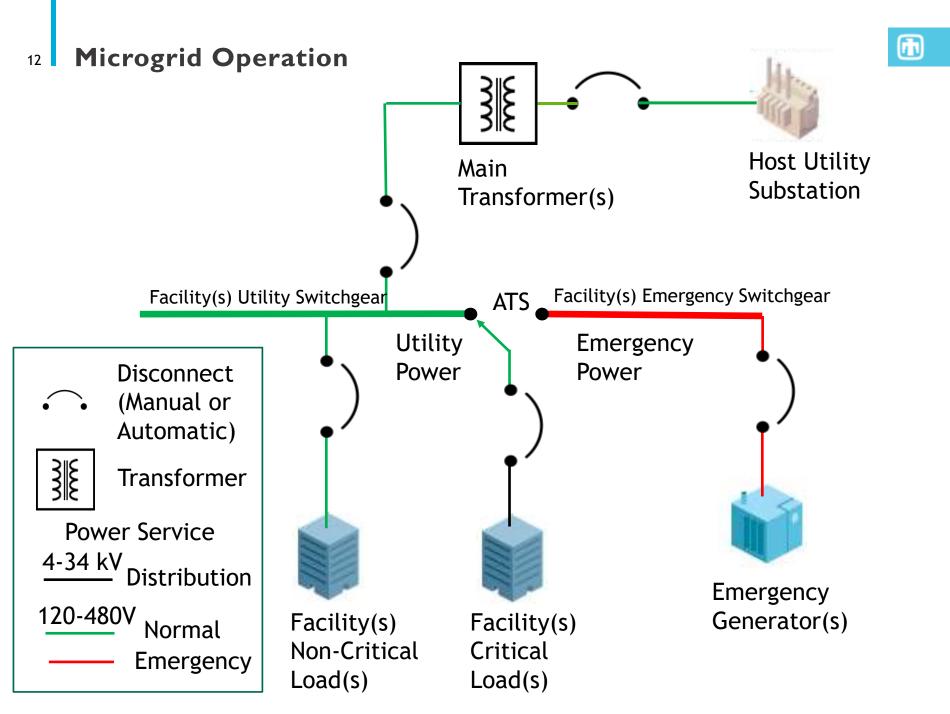


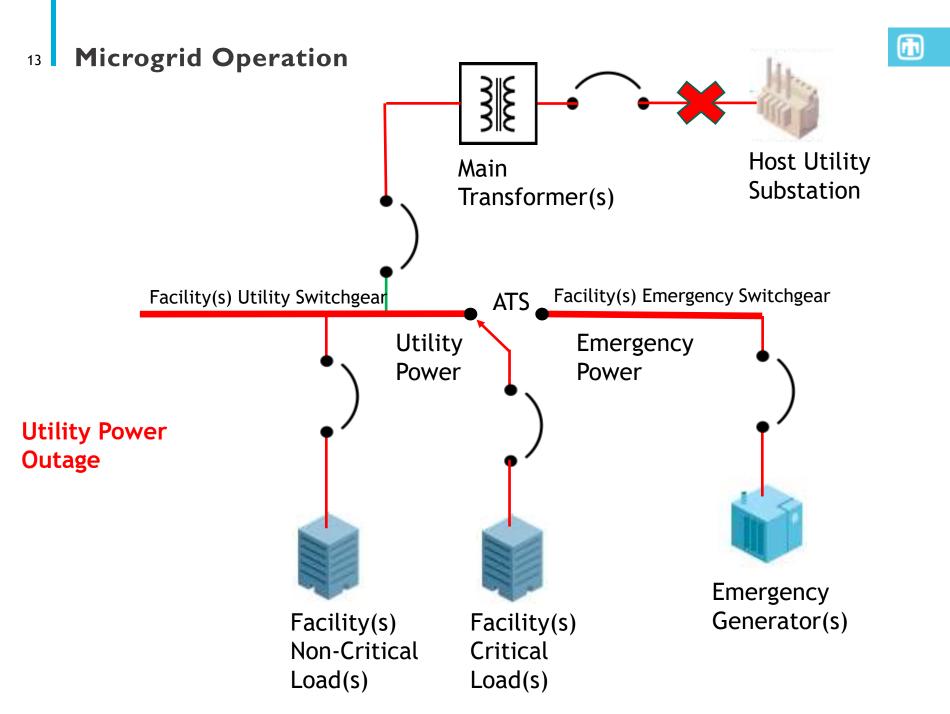
P.K. Singh "Technical and Economic Potential of Microgrid in California", Humboldt State University, 2017.

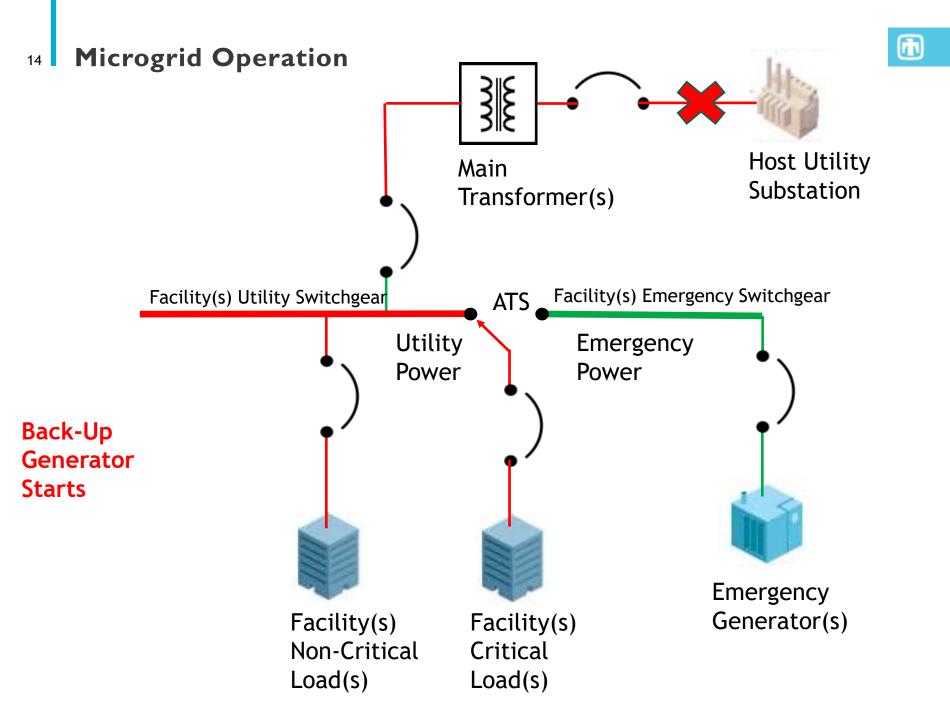


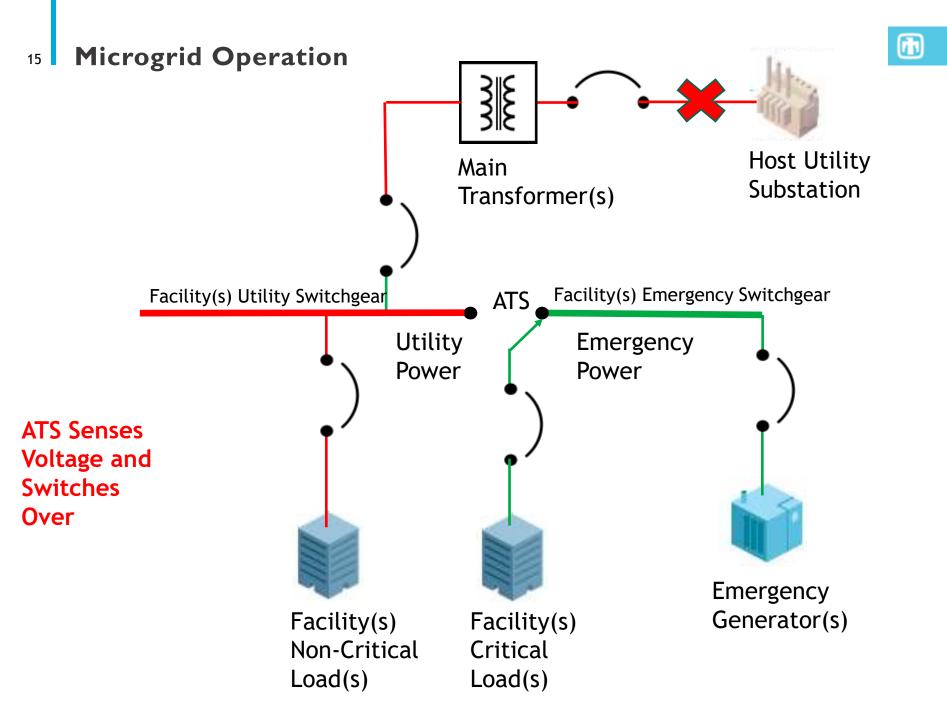
Microgrid Architecture

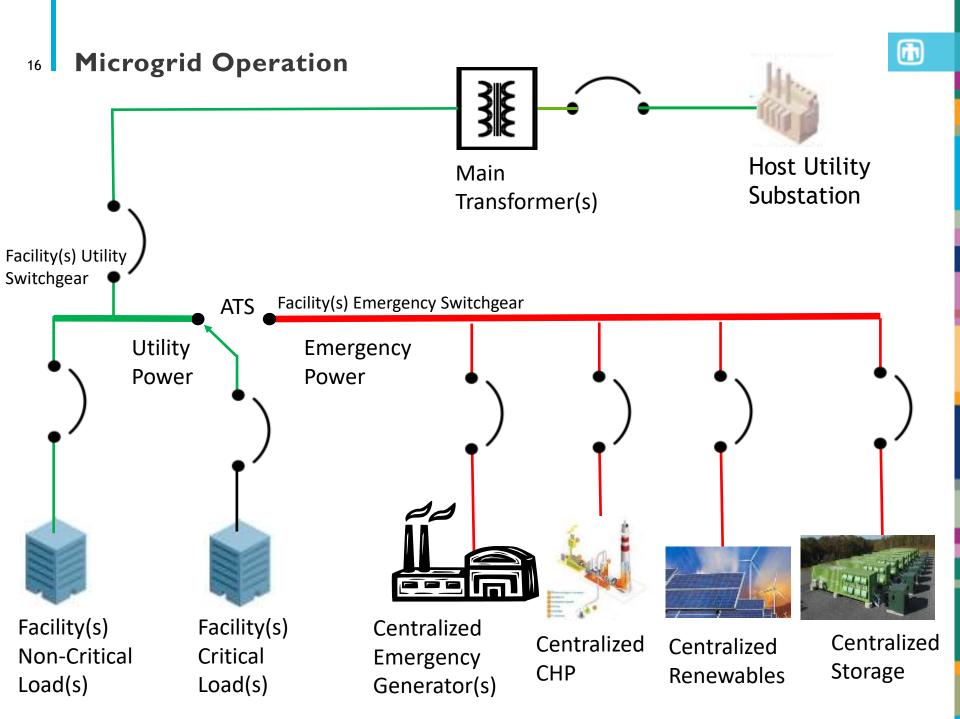


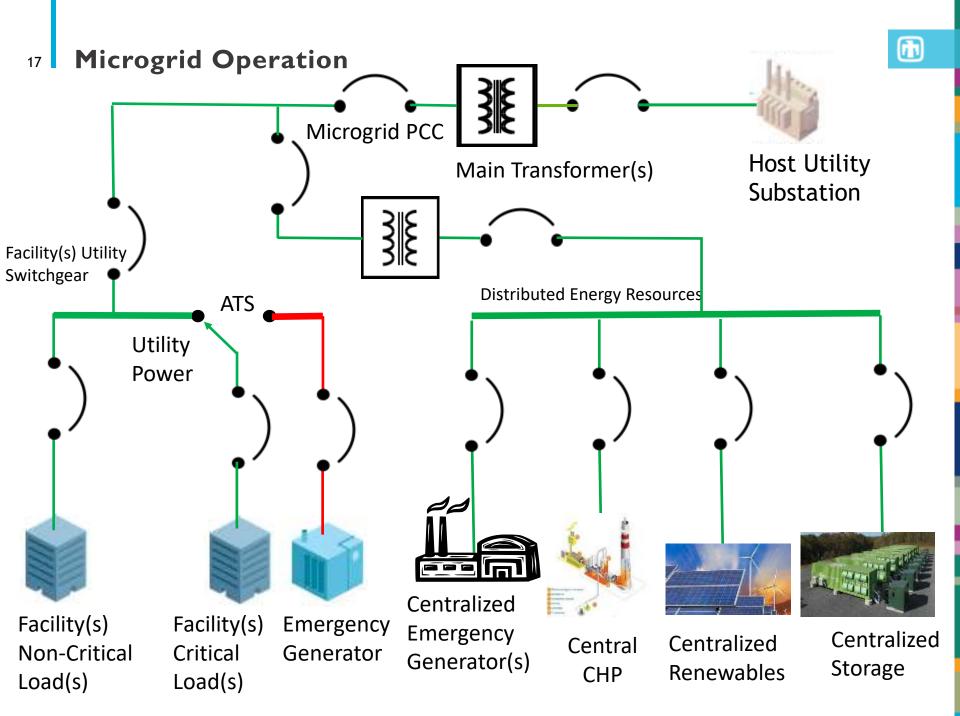


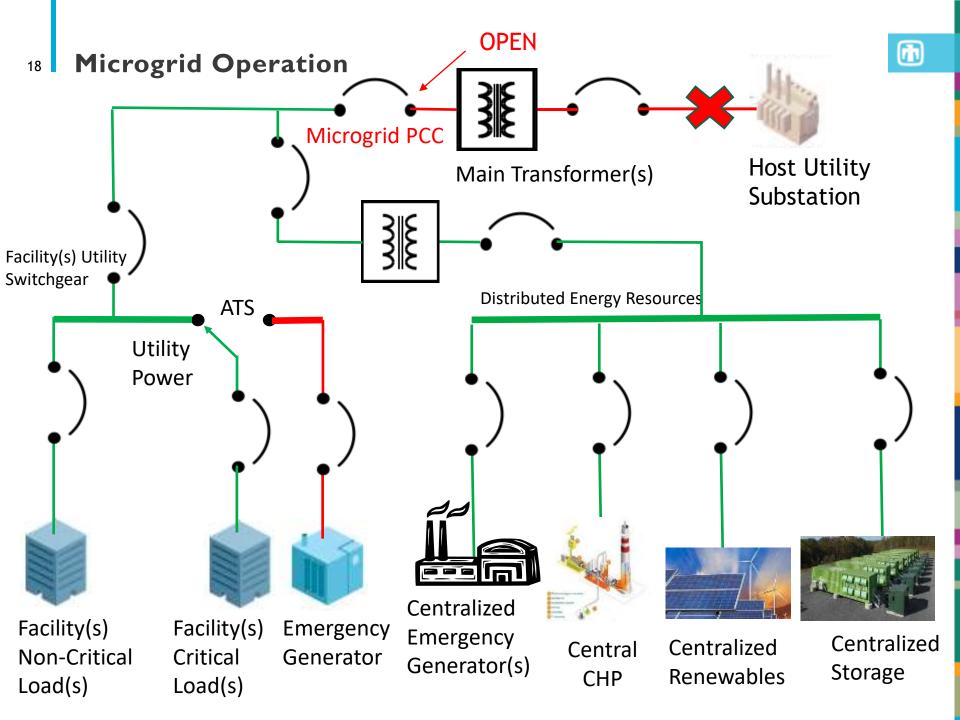


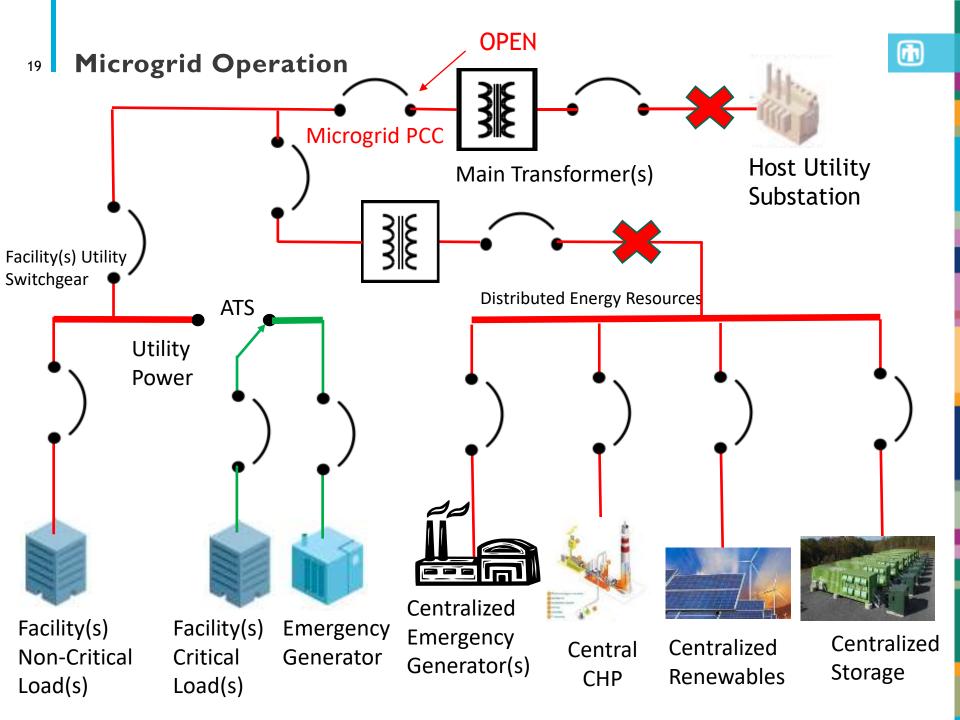












20 Microgrid Major Devices

- Distributed or Central Electrical Generation
 - Generators (Diesel, Natural Gas, Propane, Hydrogen, etc)
 - Renewable Energy (Wind, Solar, Hydro, Geothermal, etc.
 - Energy Storage (Batteries, Flywheels, Hydrogen, etc.)
 - Fuel Cells
- Isolation, Switching and Protection
 - Reclosers
 - Automatic Transfer Switches (Building, 15kV, etc.)
 - Breakers (Manual, Automatic, Shunt Trip)
 - Relays (Configurable)
- Controls and Communication
 - Microgrid Controller (Central, De-centralized, etc.)
 - Generation Controller (BMS, Diesel Control, et.)
 - Building Controller (Building Management System, etc.)
 - Communication Medium (Fiber, Copper, Radio, Cell, etc.)
- OTHER
 - Balance of Plant (Enclosures, Foundations, Transformers, etc)
 - Physical Security (Fences, Locks, etc.)



Diesel Generator



15kV Pad Mount Switch

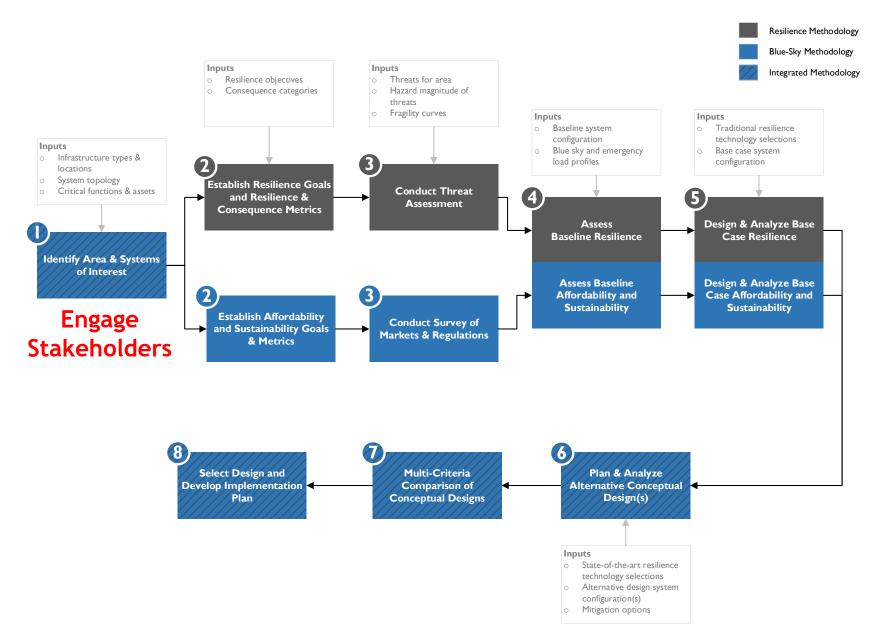




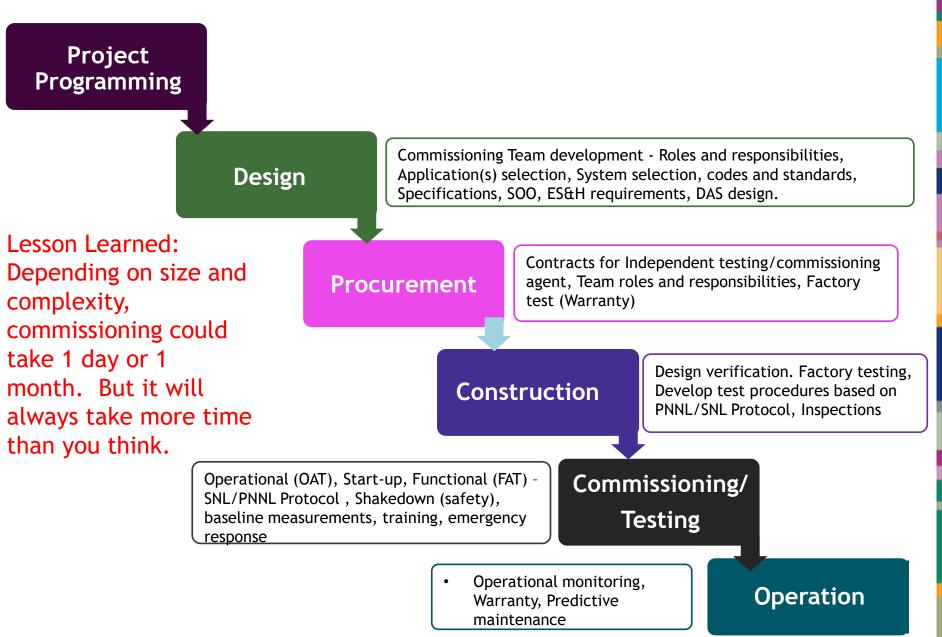
Project Process



Project Conception



Construction and Commissioning

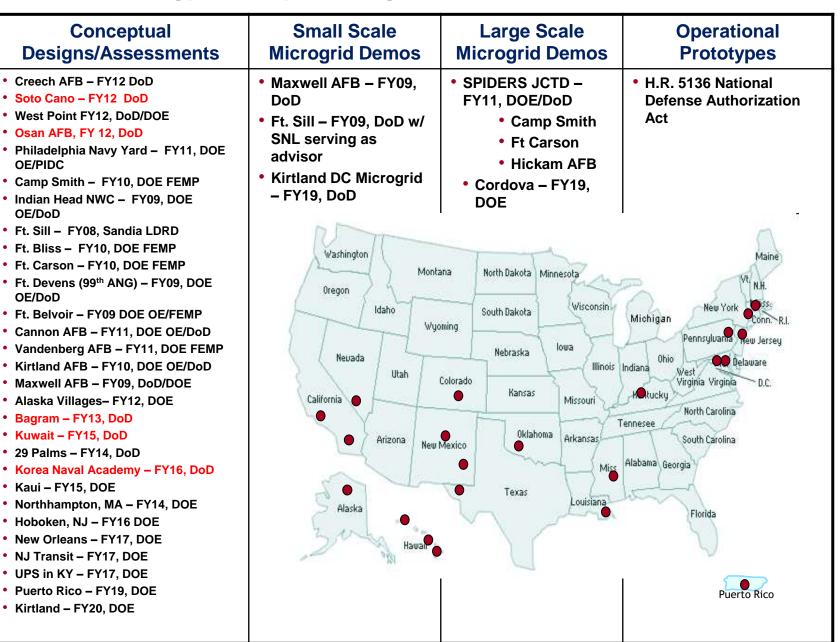




Case Study



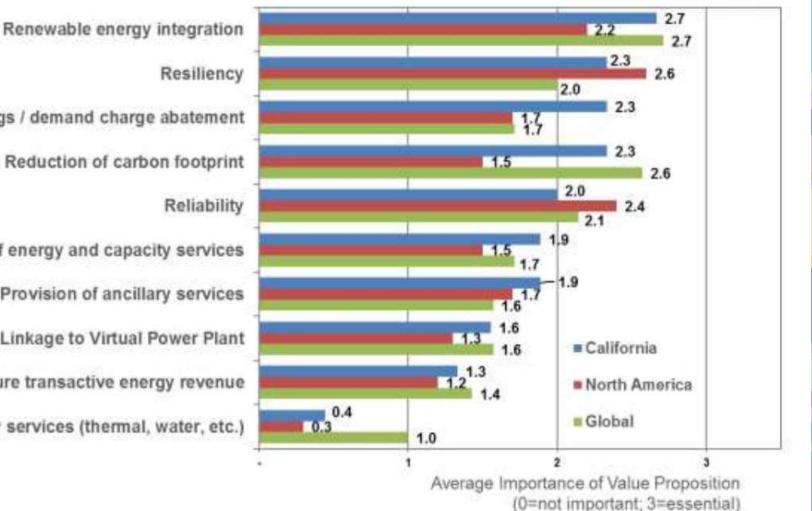
25 Sandia Energy Surety Microgrid Efforts



Case Studies: California Energy Commission

- 2018 Navigant performed a review on 9 microgrids within the California Energy Commission
- Microgrids range from 153kW to 13.5MW
- All 9 microgrids consisted of solar plus storage
- Generation mix was 88% Clean Energy and 12% Fossil Fuel
- Types of Economic Mechanisms
 - Energy Management Services Agreement: Contractor supplies demand response to SCE (cost savings split between owner and contractor) and owner pays monthly maintenance fees
 - Power Purchase Agreement
 - Service Contract: Contractor provides reduction to demand charges and splits savings with owner
 - Arbitrage for residential: Research purposes not economical
 - Utility Owned: Peak shaving mitigation
 - Lease to Own: 7 year contract which lease is based on monthly electric savings (Freeze monthly electric bill)
 - Private Investment: Reduce GHG and resiliency
 - Government Investment: Military Construction (MILCON)

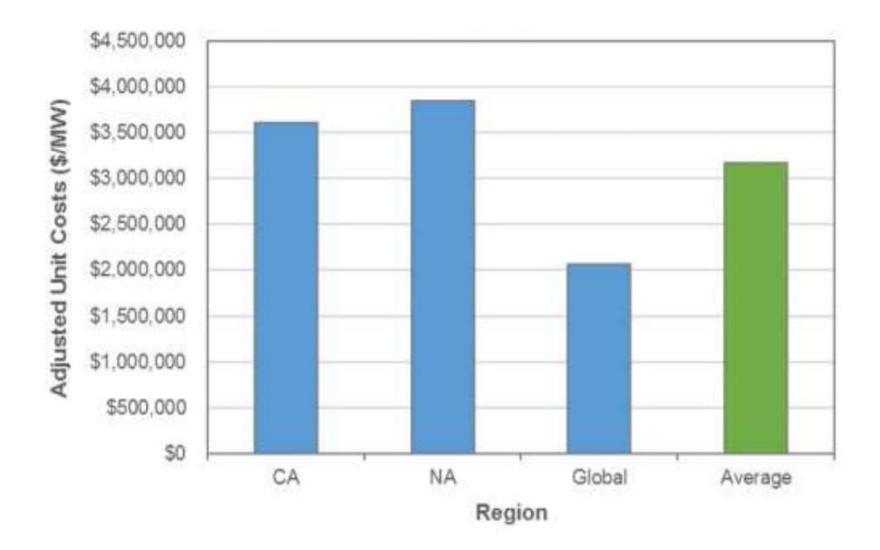
Value Proposition 27



Bill savings / demand charge abatement Reduction of carbon footprint Reliability Provision of energy and capacity services Provision of ancillary services Linkage to Virtual Power Plant Future transactive energy revenue Non-electricity services (thermal, water, etc.)

Source: Navigant Research, "Microgrid Analysis and Case Studies Report", CEC-500-2018-022, August 2018

28 Microgrid Costs



Source: Navigant Research, "Microgrid Analysis and Case Studies Report", CEC-500-2018-022, August 2018

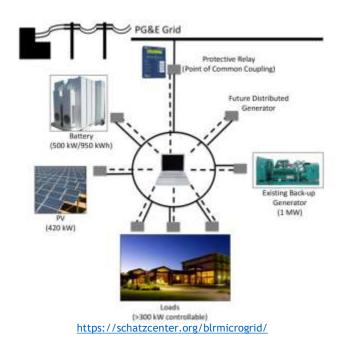
²⁹ Microgrid Case Study: Blue Lake Rancheria



https://schatzcenter.org/blrmicrogrid/

- Location: California
- <u>Application:</u> Energy demand reduction, resiliency, reduce GHG
- <u>Cost:</u> \$6.3M
- <u>R&D Cost:</u> 20%
- Expected Revenue: \$200k
- <u>NPV:</u> positive at ~20-25 years

- **Project Timeline:** 24 Months
- Unplanned Outages: 4 in 2017
- Carbon Reduction: 175 tons CO₂
- <u>PV:</u> 15% of load demand



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