

Vrije Universiteit Amsterdam



## Bachelor Thesis

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# Decarbonizing Household CO2 Emissions using a Battery Storage System with Two Reinforcement Learning Models

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## **Abstract**

This study investigates the performance of standalone battery storage systems (BSSs) in reducing CO<sub>2</sub> emissions derived from household electricity consumption. The study was performed on a medium-sized Dutch household with a mean hourly energy consumption of 1.2 kWh. The results were obtained by simulating a household's energy consumption with a BSS using real-world carbon intensity and energy consumption data. In this simulated environment, two reinforcement learning algorithms (PPO and DQN) were trained to find an effective charge-discharge strategy, with the goal of maximizing CO<sub>2</sub> emission savings. We found that overall CO<sub>2</sub> emissions could be reduced by 2.04% annually, and that a 5 kWh battery is most effective when considering the energy intensity of the household. Despite the arguably small percentage of saved greenhouse gas emissions, a standalone BSS can be installed in any household-type, is cheaper compared to photovoltaic (PV) systems, and can also serve as a backup power system. This study aims to fill the research gap regarding grid-connected BSSs' effectiveness in the European region. Lastly, the method of determining the charge discharge strategy using reinforcement learning algorithms is novel in this field, as we believe this approach could maximize performance.

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## Glossary

Term	Definition
BSS	Battery Storage System
PV	Photovoltaic
PV-BSS	Battery Storage System connected to Photovoltaic power generation
EV	Electric Vehicle
LIB	Lithium-Ion Battery
RL	Reinforcement Learning
PPO	Proximal Policy Optimization – a Reinforcement Learning algorithm
DQN	Deep Q-Networks – a Reinforcement Learning algorithm
SGD	Stochastic Gradient Descent – a Machine Learning optimization algorithm

# 1 Introduction

Human-driven climate change in the post-industrial era has been intensively studied in the past few decades. Early on, the concept of energy decarbonization was proposed to be the long-term solution to reducing greenhouse gas emissions (Nakicenovic, 1993). One of the more challenging areas in need of decarbonization is household energy consumption. Beyond transitioning to a ‘greener’ energy mix in electricity grids, a solution is needed for the issue of mismatched consumption and production cycles (Munné-Collado et al., 2019). Household energy consumption peaks early in the morning and late-afternoon, with this pattern matching the daily peaks in energy grid carbon intensity (grams of CO<sub>2</sub> emitted per kWh). In this regard, Zhang (2019) determined that high electricity demand has a direct negative effect on an electricity grid’s carbon intensity. Thus, shifting or spreading the peak demand in the household energy sector is an important step in grid decarbonization.

Literature on the topic mostly explores fitting detached houses with photovoltaic (PV) battery storage systems (BSSs), which show promising reductions in CO<sub>2</sub> emissions that vary around 21% on a yearly basis (Khowaja et al., 2022). Although this approach shows promising results, it fails to account for multiple factors which prevent it from being universally viable. Such complex systems are expensive to build or to retrofit to existing housing (Hoppmann et al., 2014), and can only be installed on single family homes (detached houses). This shortcoming of PV systems prevents a large percentage of homes like apartments and multi-family units, which account for 46% of European housing (Eurostat, 2021), from having a reliable method of energy use decarbonization.

This study aims to address the above-mentioned drawbacks of residential PV systems by exploring the viability and performance of standalone grid-connected BSSs which exploit grid carbon intensity variability to reduce household CO<sub>2</sub> emissions. This approach would address both the high cost of implementation and reduced use case of PV systems, while spreading the peak household energy demand which would decrease a grid’s carbon intensity (Zhang 2019). To investigate the viability of a standalone BSS, two reinforcement learning (RL) agents were trained in a simulated environment using a Dutch household’s hourly energy consumption and available carbon intensity data. Multiple battery sizes and carbon intensity scenarios were simulated to provide a varied learning and testing environment for the RL agents. The goal of the

agents was to maximize saved CO<sub>2</sub> emissions, when compared to the baseline household emissions without the BSS. The agents' overall performance across the different environment variables can be used to infer the general viability, efficiency, and performance of a standalone BSS in household energy decarbonization. This thesis investigates to what extent a grid-connected BSS can reduce household CO<sub>2</sub> emissions. In order to do so, two RL agents were trained in a simulated environment using real-world data to exploit carbon intensity variability through the charge/discharge strategy.

## 2 Related work

Since their introduction in 1991, the adjusted price of lithium-ion batteries (LIBs) has decreased steeply at around 13% per year (Ziegler & Trancik, 2021). The LIB became the forefront of decarbonization strategies in both the transportation sector (Stampatori et al., 2020) and in electricity grid systems (Tian et al., 2021). The economic and ecological viability of LIB powered electric vehicles (EVs) has already been achieved, according to Nimesh et al., 2021. The same cannot be said about using LIBs as grid bulk energy storage devices. The goal of decreasing carbon emissions or improving load demand response has been shown to be simply impractical due to high implementation costs (Rajeevkumar Urs et al., 2024).

A solution to decarbonizing and improving load demand in electricity grids could be household BSSs (Hesse et al., 2017; Leadbetter & Swan, 2012). Leadbetter and Swan assessed that battery sizes of 5kWh fit the needs of a low electricity intensity household, while 22kWh are more appropriate for high-intensity residences. These BSSs can either be installed with PV systems, or as standalone systems simply connected to the electricity grid.

When considering PV-BSSs, research has shown that such integrated systems are remarkably effective at utilizing self-overproduction of PV energy (Barchi et al., 2018; Quoilin et al., 2016). On the other hand, quantifying the economic viability of household PV-BSSs has been challenging. According to Hoppmann et al. (2014), the economic viability of PV-BSSs remains unclear, due to a multitude of factors that can affect the viability computation. These factors include the high price of PVs installation, local weather conditions, grid prices, carbon intensity, household energy intensity, local regulations, and other geographically dependent factors.

To date, most research regarding household energy decarbonization has focused on ‘ideal’ PV-BSSs, and little attention has been paid to standalone residential BSSs. Regarding the latter, Vejdani et al. (2019) has shown their effectiveness depends heavily on the variability of the energy mix in local power grids. Grids with stable, non-fluctuating, energy mixes led to no, or negative, impact on household emissions with a BSS, even in the case of fully renewable grids. Overall, the study shows that BSSs can have no or negative impact, when they are connected to grids which have a low variability of carbon intensity.

The research of Bistline & Young (2020) investigates the generalization of viability of standalone residential BSSs, by including their impact on emissions across multiple regions in the US. In addition, their emission model accounts for more inefficiencies such as roundtrip efficiency losses (Bobanac et al., 2022), dispatch and investment effects. Bistline & Young (2020) also conclude that BSSs may lead to decreases in CO<sub>2</sub> emissions, primarily due to carbon intensity variability.

The most recent direct study on the viability of household energy decarbonization through grid-connected BSSs furthers research by investigating whether used electric vehicle batteries can be repurposed as BSSs (Khowaja et al., 2022). The author’s approach aims to increase an EVs battery’s useful lifespan, to avoid premature obsolescence and to decrease initial costs and effective emissions of a BSS. The study looks at the effectiveness of both BSS systems with and without photovoltaic energy generation. In the case of grid-connected BSS, their method of charge/discharge optimisation is a simple, mathematical, approach summarised as ‘charge when emission factors are low’ and ‘discharge when emission factors are high’ (‘high’ and ‘low’ when compared to the daily, cyclical, distribution of emission factors). Khowaja et al. (2022) found that around 0.12 tons (2%) of CO<sub>2</sub> were saved in 2018 when averaging six homes. Additionally, the authors found that the net carbon savings fluctuated throughout the year, with maximums during spring, and minimums during fall. Thus, this study also supports the claim that the largest impact on CO<sub>2</sub> savings is the daily carbon intensity variation.

## **2.1 Motivation**

Considering Hoppmann et al. (2014) show that the economic viability of household PV systems remains uncertain, it is important to recognize that simpler to implement, and

universally adoptable solutions to decarbonizing household energy usage must be investigated. An important factor overlooked in the works of Vejdani et al. (2019) and Bistline & Young (2020) is the inability to install a PV system on any household except for the detached house. According to the most recent study on population residence (Eurostat, 2021), 46% of Europeans live in apartments. These types of homes can never be fitted with PV systems, so other ways of decarbonizing their energy consumption must be explored. With this goal in mind, this study attempts to address the research gap concerning the efficiency in reducing household CO<sub>2</sub> emissions with a grid-connected BSS. Advantages of such systems include reduced cost of implementation (when compared to traditional PV systems), minimal space requirement, reduced complexity, and universal compatibility with any grid-connected home type. Additionally, these systems can be deployed in multi-unit homes, where no other decarbonization methods can be retrofitted and used. The overall cost and effective environmental impact of a BSS can be improved further by upcycling out-of-warranty EV battery stacks, as outlined by Khowaja et al. (2022). The objective of a grid connected BSS is to store low carbon intensive energy from the grid to better address high energy demand moments in a day which coincide with high carbon intensity, thus reducing overall household CO<sub>2</sub> emissions. More specifically, we investigate how well such battery systems can perform across multiple environmental characteristics.

### 3 Methodology

To investigate whether a home battery can be used to aid in the decarbonization of household energy consumption, a computational modeling approach was used. The methods consisted of designing a household-like environment following the standard created by OpenAI's Gymnasium framework (Brockman et al., 2016). Real-world data on energy consumption and carbon intensity was used. In this standardized environment, two RL algorithms were trained with the goal of minimizing the effective CO<sub>2</sub> emissions using the battery's charge/discharge cycle. The following section provides, in addition to an in-depth description of the proposed environment, a high-level overview of the RL agents used in training, as deep understanding of the two RL methods is not necessary for this study. Note that StableBaseline3's implementation of the Deep Q-Network (Mnih et al., 2013) and Proximal Policy Optimization (Schulman et al., 2017) agents was used, as both agents have interfaces directly compatible with Gymnasium-compliant environments.



### 3.1 Carbon Intensity and Electricity Consumption Datasets

The study is performed using real-world data from the Netherlands. Carbon intensity live and historical datasets, from 2021 onwards, are freely available for research purposes from the Electricity Maps (2024) data portal. The metric used as an environmental parameter is ‘LCA Carbon Intensity’, which is a holistic approach of calculating the effective carbon intensity. This approach considers the entire lifecycle of electricity generation, from raw material extraction emissions to distribution and recycling emissions (Electricity Maps, 2024). The carbon intensity dataset contains values from the year 2021 and resolution is hourly.

In contrast, residence-specific energy consumption data is difficult to access, as it is protected by EU privacy regulations. Through the research of Uttama Nambi et al. (2015), a high-resolution (1 second) dataset (Dutch Residential Energy Dataset) of the energy consumption of a single household is publicly available. Ultimately, we chose to transform the data to the hourly resolution, to match the resolution of available electricity grid carbon intensity. The processed dataset contains datapoints from 5th of July 2015 to 5th of December 2015.

To address the potential limitation of combining these two datasets, we designed the environment to always pick the same hour of the same day from both datasets. This approach allows us to account for seasonal differences, while retaining scientific relevance for the chosen area.

### 3.2 Gymnasium Environment

The basics of RL place an agent inside an environment, which is tasked with making decisions while being given observations and rewards. The Gymnasium toolkit was selected in the creation of the custom environment because it has well-written documentation and is the most used Python environment-building library (Brockman et al., 2016; Körber et al., 2021). The framework's goal is to have a multitude of environments with the same interface, such that it acts both as a collection of benchmarks and as an accessible springboard for RL applications. To expand on the latter point, the framework also supports the building of custom environments using its default classes as building blocks, through which we constructed this household carbon emission environment.

All Gymnasium environments, including this one, interact with the agent as follows: the RL agent makes an action for each step, after which it receives from the environment an observation and a reward.

Reinforcement Learning theory states that environments must follow the Markov Property, where each of their states summarize completely all relevant information (Sutton & Barto, 2015). I.e., the system should provide concise information about the future of the system in a way that is independent of previous states. The response of such Markovian environments at time  $t + 1$  must only depend on the action taken and the environment's response at time  $t$ . Sutton and Barto (2015) provides a mathematical representation of a Markovian environment:

$$p(s', r | s, a) = \Pr\{ R_{t+1} = r, S_{t+1} = s' | R_t, S_t \} \quad (1)$$

Where  $p$  is the probability of transitioning to state  $s'$  with reward  $r$ , from state  $s$  with action  $a$ , and  $Pr$  is the complete probability distribution. Note how  $Pr$  at  $t + 1$  only depends on the state and action taken at  $t$ . In real-world applications the Markovian property is maintained only as an assumption. Thus, each state needs to be as good as possible of a basis to predict future actions and rewards (Sutton & Barto, 2015).

The environment has two major components, namely the action space and the observation space. First of all, the action space represents which actions the agent is allowed to perform. The action space is discrete, containing the values 0, 1 and 2. Each is mapped to the possible actions 'Discharge', 'Nothing' and 'Charge'. Secondly, the observation space represents all of the possible valid states in which the environment can be. After every timestep, the RL agent receives an observation from this space, so it must be as good as possible of a basis to predict the environment's behaviour. Our observation space is continuous, and contains instance data of carbon intensity, energy consumption, battery charge level and the current emission delta.

Lastly, the simulated environment positively rewards the RL agents when the maximum absolute value of the difference between emissions emitted with the battery and baseline emissions increases. A formalized mathematical description of the proposed reward function:

$$r = \begin{cases} 1, & \Delta_{t+1} > \max(\Delta_t) \\ -0.01, & otherwise \end{cases} \quad (2)$$

$$\Delta_t = E_{baseline} - E_{battery} \quad (3)$$

In other words, the agent is rewarded when it manages to save more CO2 emissions with each timestep, when compared to the same system without a battery. At the same time, it is discouraged to increase emissions or to perform no action.

### 3.3 Deep Q-Network Algorithm

Q-Learning is a primitive, off-policy, RL method which has as goal to converge towards  $Q$ , which is an approximation for the optimal action-value function  $q$  (Sutton & Barto, 2015; Watkins & Dayan, 1992). This strategy matches the Markov Property of environments that each state only depends on the previous one, and thus all have an optimal action which can be derived from the  $q$  function. Unlike most RL algorithms, Q-Learning does not have as goal the maximization of the reward. This algorithm approaches the  $Q$  function if and only if all state-action pairs are updated throughout, which is a trivial requirement (Sutton & Barto, 2015; Watkins & Dayan, 1992).

The modern DQN algorithm uses a neural network, instead of a lookup table, to approximate said  $Q$  function. In addition, it assumes future rewards are ‘worth’ less than immediate ones, with future rewards being discounted by a factor  $\gamma$  per step (Mnih et al., 2013). In this way, the algorithm is incentivized to seek immediate rewards rather than rewards in the far future. One limitation of DQN that impacts its performance on the presented task is its relative sample inefficiency due to its inability to perform enough exploration, which leads to suboptimal policies (Jin et al., 2018). This limitation may be especially impactful to the task at hand, as charging the battery always leads to negative immediate rewards, and at timestep 0 the battery is fully discharged. An optimal agent for our modelled environment must learn to balance late future discounted return and effective exploration of the domain.

### 3.4 Proximal Policy Optimization Algorithm

PPO is a modern implementation of standard policy gradient methods, introduced by Schulman et al. (2017). Alike Q-Learning, this family of algorithms also relies on the Markov Decision Process assumption. All policy gradient algorithms alter their parametrized policy to optimize for long-term cumulative reward. How this algorithm improves is by simplifying the computational complexity of the objective optimization; from a second-order derivative matrix

which is computationally intensive, to using Stochastic Gradient Descent (SGD) which is easier to compute. This simplification can be achieved by changing from a hardline constraint to a penalty in its policy optimization. This change achieves two objectives, increased exploration rate through sub-optimal decisions, and considerably faster convergence rate. In simpler terms, PPO approximates the second-order derivative using SGD, which sometimes leads to ‘wrong steps’, but is considerably faster to compute. To decrease the likelihood of these ‘wrong steps’, a penalty is added to the objective function. This was shown, empirically, to increase viability and accuracy on both large- and small-scale problems. Schulman et al. (2017) found their PPO algorithm improves significantly in sample complexity and overall performance in ATARI games, when compared to stable versions of ACER (Wang et al., 2016) and A2C (Mnih et al., 2016). As reduced sample complexity and comprehensive exploration are advantages of PPO, the algorithm is well-suited for tasks with similar characteristics to the one explored in this research. An ideal RL agent would be able to successfully navigate past the frequent negative rewards that are inherent to our task. Enough exploration is needed to understand under which circumstances the positive rewards are obtained.

## 4 Results

The viability of a grid-connected BSS can be determined by calculating the percentage of effective CO<sub>2</sub> emissions saved over different time frames. The analysis of results across seasons and battery sizes can lead to a more comprehensive answer to whether the systems in question are effective at household decarbonization in the Netherlands. Important to note that ‘N/A’ values correspond to negative CO<sub>2</sub> gains, i.e., the BSS emits more CO<sub>2</sub> in the set time frame compared to the baseline CO<sub>2</sub> emissions. The reason for having ‘N/A’ entries instead of the resulting values is that negative CO<sub>2</sub> gains are predominantly caused by inadequacies in the RL agents.

### 4.1 Seasonality Comparison

Table 1 illustrates the percentage of saved CO<sub>2</sub> emissions distributed across seasons. For each season, five models are trained for each model type. Among those, the model with the highest mean episodic reward is selected. The results are obtained by averaging the result of 30 episodes run by the two selected PPO and DQN models. Battery size is kept constant at 5kWh, and the hourly charge/discharge rate is  $\frac{\text{battery size}}{4}$ .

	<i>Spring</i>	<i>Summer</i>	<i>Fall</i>	<i>Winter</i>	<i>Overall</i>
<i>PPO</i>	3.02%	2.14%	1.20%	1.73%	2.04 %
<i>DQN</i>	0.06%	N/A	N/A	N/A	N/A

*Table 1 - Percentage of CO2 savings across RL methods and seasons*

## 4.2 Battery Size Comparison

Table 2 showcases the percentage of saved CO2 emissions across multiple battery sizes. For each battery size five instances of each model are trained; the one with highest mean episodic reward is selected. The presented results are obtained by averaging the results across 30 episodes for each RL algorithm and battery size. The charge/discharge rate remains  $\frac{\text{battery size}}{4}$ , and the selected season across testing is summer.

	<i>1 kWh</i>	<i>3 kWh</i>	<i>5 kWh</i>	<i>7 kWh</i>	<i>10 kWh</i>
<i>PPO</i>	0.61%	1.81%	1.93%	0.97%	1.17%
<i>DQN</i>	N/A	N/A	N/A	N/A	N/A

*Table 2 - Percentage of CO2 savings across RL methods and battery sizes*

### 4.3 One Run PPO

To showcase in more detail how a successful simulation looks like, an above average (in performance) run is displayed in Figures 1 and 2. In the 720-hour timeframe (30 days) simulated, the total baseline emissions were 312.68 kg of CO<sub>2</sub>. With the BSS, 9.68 kg of CO<sub>2</sub> were saved compared to the baseline. This leads to a reduction of 3.09% in effective carbon dioxide emissions.

Figure 1 illustrates the reward pattern of the algorithm. With each new maximum in saved CO<sub>2</sub> emissions, the algorithm receives a positive reward. An upward shape with consistent slope is desired, as it means the algorithm consistently found CO<sub>2</sub> emissions gains. Similarly, Figure 2 represents the hourly difference between the two running emission values. Here, the actual charge/discharge strategy can be observed. Positive slope means battery was discharged; null slope means no action taken; negative slope means battery was charged.

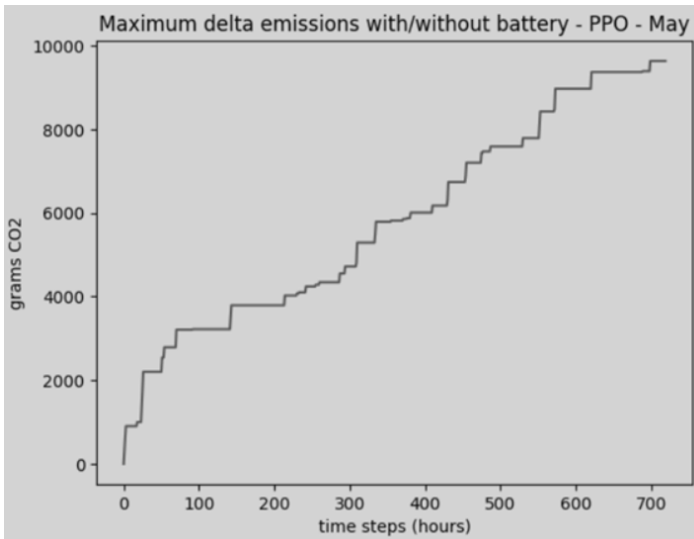


Figure 1

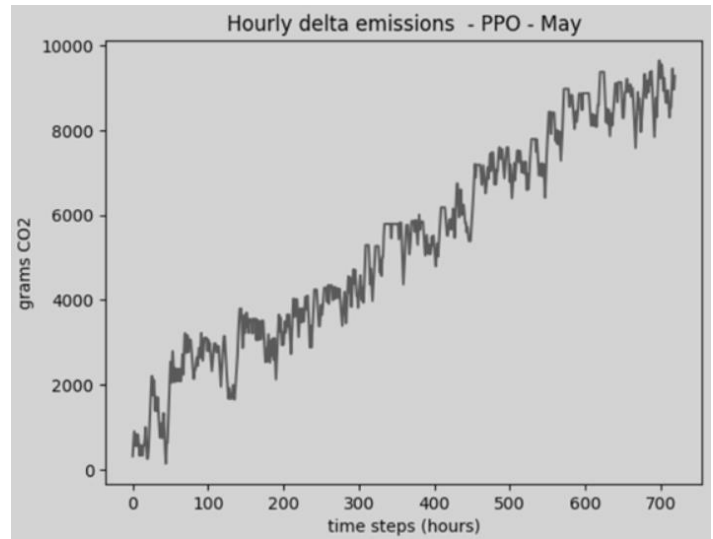


Figure 2

## 5 Discussion

To address the multiple ‘N/A’ entries in Tables 1 and 2, the DQN algorithm simply could not explore enough of the domain space to find adequate strategies. The DQN algorithm, like all RL methods, has stochastic exploration built in. However, it can only perform well if most of the exploration is done by the first 30% of timesteps. Beyond the exploration fraction threshold, the algorithm has between 1-5% chance of making a random step, thus adjusting such complex strategy, as is needed here, almost never happens. Because of this, most DQN models trained were inadequate at performing the task at hand. In most cases, the models’ strategy would cause more CO<sub>2</sub> emissions than the baseline. This behaviour kept repeating no matter the hyperparameters nor the amount of time steps for which the model was trained. Thus, the ‘N/A’ results do not represent the inability of a BSS to save CO<sub>2</sub> emissions, but rather the inability of the DQN algorithm to find a strategy which can save emissions.

When considering what results would validate/invalidate the goals and assumptions of this thesis, it is important to note that the environment which the agents are trying to solve is ultimately a real-world simulation. This aspect warrants some consideration in two ways. On the one hand, having above expectation results can be caused either by omitting some real-world inefficiencies or the RL method instance performing better than others. On the other hand, having poor results does not entail that the system cannot be ‘solved’, but rather that the tools (RL methods) used were inadequate for the task. To better grasp the conditions for the interpretation of the results, we can substitute our BSS environment with a theoretical racetrack. The racetrack is a real-world entity that behaves predictably, just like the BSS simulation. In this theoretical case, this work would aim to firstly investigate whether it is feasible to complete laps around the racetrack, and if so, to then find out how fast different cars could complete the track. Alike our results, not being able to finish a lap around the racetrack does not mean the track is faulty in some way, but rather that the cars were poorly equipped for the task to begin with. Similarly, having surprisingly fast lap-times does not entail the track is easier to drive around than expected, but rather that corners were possibly cut.

When investigating the performance of the models in saving CO<sub>2</sub> across seasons, the PPO results align with similar results from established literature, specifically Khowaja et al. (2022). The model consistently performed the best in the months of March through May, while

performing the worst in September through November. On average, our PPO model was able to save around 70 kg, or 2.04%, out of yearly household CO<sub>2</sub> emissions of 3534 kg. We attribute the fluctuations in performance to the changing variance of electricity grid energy mix throughout the year, which is directly correlated with the carbon intensity data used in this study. Comparing a grid-connected BSS with another which uses on-site renewables to charge, the grid-connected one performs considerably worse solely at offsetting CO<sub>2</sub> emissions. At the same time, such systems do not need to only be used for CO<sub>2</sub> reduction purposes. First of all, a household BSS can also serve as backup power in case of power outages, or for energy arbitrage purposes (monetary profit from fluctuating energy rates). Secondly, when considering a more holistic approach to reducing CO<sub>2</sub> emissions, repurposed automotive Lithium-Ion Batteries have been shown to decrease the overall emissions impact, and to significantly increase the household viability of a BSS (Khowaja et al., 2022).

Regarding the different battery size investigation, the same case as above applies for the DQN algorithm; it remains unsuitable for the task at hand. Regardless, the results obtained for the PPO algorithm in this section can be broken down further. For battery sizes from 1 to 5-kWh the PPO algorithm performed in a regular fashion, with consistent upward slopes in the resulting emission difference graphs. The mismatch between the 2.04% overall value resulted from the first part of the investigation and the 1.93% result from the 5-kWh battery size test is due to the stochastic nature of PPO. Even though the same model was used for both investigations with identical parameters, the difference in overall outcome stands at 5.5%. Considering that the household from which electricity consumption data was derived is considered a low energy intensity household (Uttama Nambi et al., 2015), our results coincide with those of Leadbetter & Swan (2012) that a 5-kWh BSS fits the needs of a low electricity intensity household best. However, the results for the 7 and 10-kWh battery sizes uncover an issue with the training of the RL agents. With battery sizes 7 to 10 times that of the hourly consumption of the household, the PPO algorithm struggled to understand the observation space because of how much charging the battery would affect emissions in the short term. Thus, these surprisingly low results are not representative of the actual possible real-world reduction in CO<sub>2</sub>.

Due to their relative inefficiency, it is unlikely that a household would install a new standalone BSS solely to reduce CO<sub>2</sub> emissions by 2% annually. Although, if certain



governmental incentives were to be set up for homeowners and considering both the extra duty as electricity backup and the possibility of upcycling out-of-commission EV batteries, then the question of the real-world use case of household BSSs remains open.

## 5.1 Limitations

While this research showcases the theoretical potential of grid-connected BSSs to reduce household CO<sub>2</sub> emissions, there are some limitations that would hinder such a system in a practical environment. Despite using real-world data on carbon intensity and energy consumption, energy transfer inefficiencies of LIBs were not taken into account. Currently, Lithium-Ion batteries have around 90% roundtrip efficiency rates (Bistline & Young; 2020). Another limitation of this study is the unavailability of newer and more varied energy consumption data. Because electricity data from a single household was used, consumption patterns should not be generalized from the findings of this study. Additionally, life cycle analysis emissions of the BSS was not considered, i.e., maintenance periods and early degradation due to intensive use. Lastly, the RL agents selected in this study were not entirely appropriate in solving the task at hand (mostly the DQN agent), as a custom PPO implementation would probably be more efficient at learning a more optimal charge/discharge strategy.

All of the above-mentioned factors would impact the overall effectiveness of the BSS in reducing CO<sub>2</sub> emissions. Efficiency rates and lifetime degradation of the BSS would reduce performance, while better real-world data and more suitable RL agents would increase performance.

## 5.2 Future Research

Future work should use a purpose-built implementation of the Proximal Policy Optimization that would allow for better training times and longer time intervals than what was possible in this study. In addition, considering battery roundtrip efficiency and expanding the study to take into account electricity consumption data from multiple households would considerably increase the generalizability of the obtained results. Lastly, quantifying the effective reduction in greenhouse gas emissions from repurposing EV batteries as household BSSs is an interesting area in need of further analysis.

## 6 Conclusion

This study explored the potential reduction in household CO<sub>2</sub> emissions (for a low-energy intensity household in the Netherlands) by using a grid-connected battery storage system (BSS). The results of this study can be used as an indication to the real-world viability of BSSs in areas where electricity grids have high variability in carbon intensity. However, our estimations could be improved by also taking into account battery inefficiencies, newer and more varied data, and life cycle analysis costs associated with using a BSS. When comparing a standalone BSS with a PV-BSS, the performance in reducing CO<sub>2</sub> emissions is certainly inferior. On the other hand, a standalone BSS has less up-front cost of installation, is compatible with all household types (including apartments) and can have additional purposes as backup power storage. We expect this study to aid in providing emission-conscious homeowners a more defined outlook of the advantages of standalone BSSs in reducing household CO<sub>2</sub> emissions.

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