

PhD research activity

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REC
optimization

Benefits sharing

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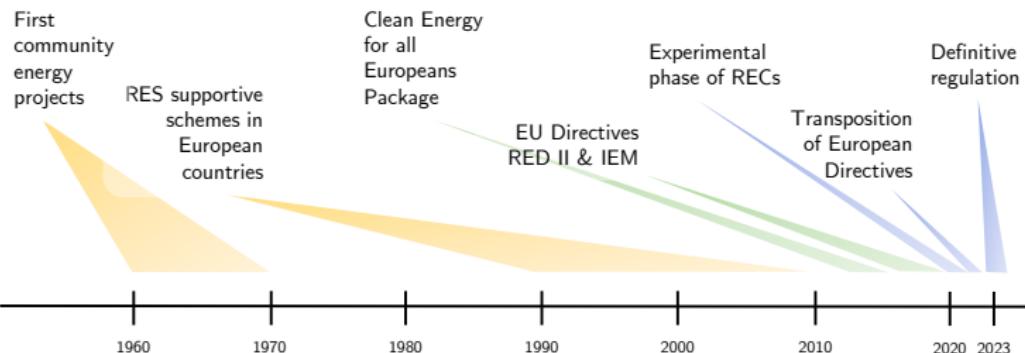
References

A context still in evolution...^{1,2}

Rise and development of
community energy
projects in Europe

Introduction of a European
legal framework

Transposition into the Italian National
law



¹ (Hewitt, 2019) ² (EMR, 2022)



Context

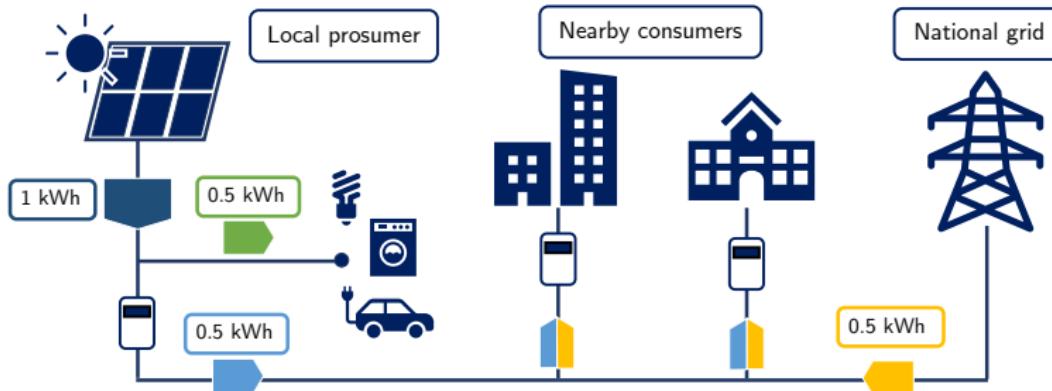
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What do we mean with energy sharing? ³What value can it bring? ^{4,5}

Energy

- Distributed generation
- System's efficiency
- Consumption habits

Environment

- RES penetration
- CO₂ and local pollutant emissions reduction

Social

- Energy justice & democracy
- Low-income families
- Social acceptance

³ (CEER, 2019) ⁴ (Caramizaru, 2020) ⁵ (Bauwens, 2016)

Comparison between Italy and France^{6,7}

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| | <i>Comunità Energetiche Rinnovabili</i> | <i>Autoconsummation Collective</i> |
|-----------------------------------|---|--|
| Grid connected | | Yes |
| Energy sharing | | Through the public distribution grid (virtual) |
| Formal entity | | Yes |
| Internal financials | | Delegated to the community |
| Perimeter limitation | Technical (same MV distribution grid) | Geographical (1 km distance) |
| Time limitation | 1 hour | 30 minutes |
| Grid fees on shared energy | No | Reduced |
| Economical advantages | Shared energy is incentivized (<i>a posteriori</i>) | Shared energy is not payed (<i>a priori</i>) |

⁶ (EMR, 2022) ⁷ (Enedis, 2021)



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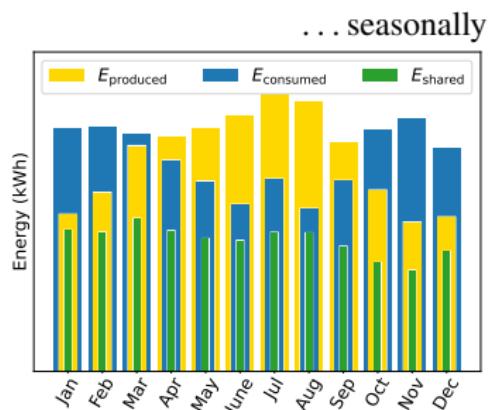
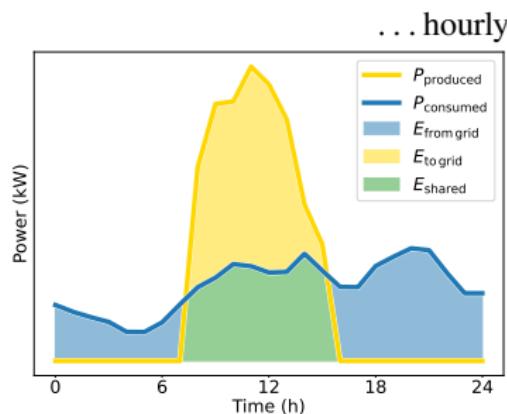
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Why research on energy communities?

- “Self-consumption is the first ingredient of local energy communities, as it brings a limited temporal scope [...] which is the critical link between local energy production and energy consumption.”⁸
- Coordination to match RES production and end users consumption...



⁸ (Coignard, 2022)



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REC optimization

How to assess RECs performances? What is their potential impact?



Adopted workflow

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1. RES generation (specific) and end-users demand considered as exact (**without** uncertainty)

3. Energy, environmental and economic performances on a **yearly** basis (without degradation)

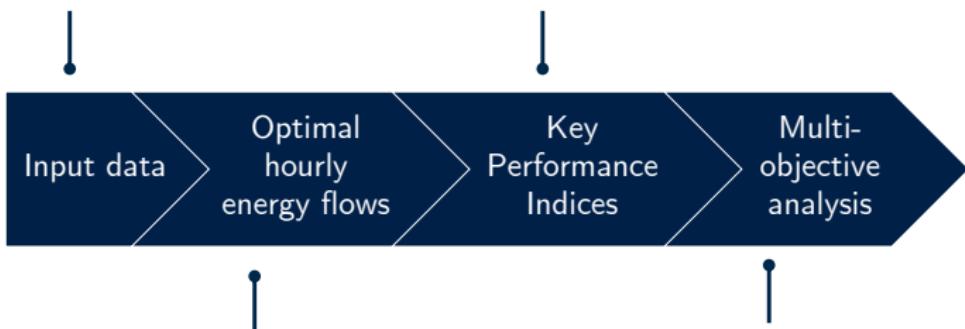
Optimal
hourly
energy flows

Key
Performance
Indices

Multi-
objective
analysis

2. Hourly energy flows within and between nodes in typical days to **achieve** optimal performances (MILP solver)

4. Comparison of different REC configurations considering multiple and **contrasting** objectives





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Energy KPI

- Self-consumption, $SC = \frac{\text{Local self-consumption}}{\text{Total self-production}}$
- Self-sufficiency, $SS = \frac{\text{Local self-consumption}}{\text{Total consumption}}$

Environmental

- CO₂ emissions reduction, $\Delta_{CO_2} = 1 - \frac{\text{Emissions REC}}{\text{Emissions base case}}$
- Total emissions: LCA of installed technologies (PV, batteries, ...)

Economic

- IRR, NPV, PBT, considering capital and operative expenditures, technologies lifetime, available incentives
- Consumers cost reduction, $CR = 1 - \frac{\text{Costs REC}}{\text{Costs base case}}$

“RECopt”: a simple model for RECs^{9,10,11}

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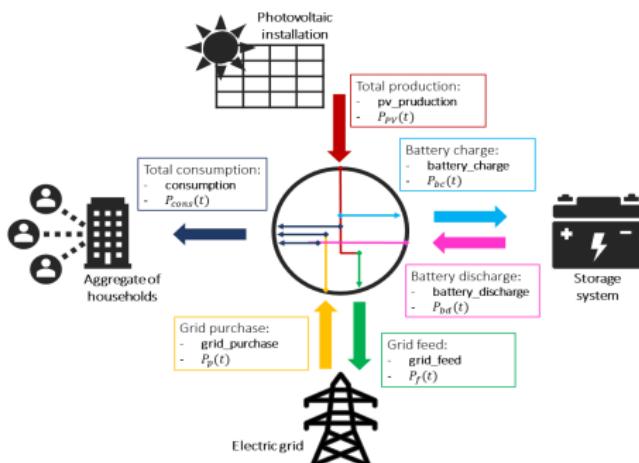
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- **Community photovoltaics systems**
- **Collective energy storage**
- **Aggregated end users**

$$E_{shared} = \min((P_{PV} + P_{bd} - P_{bc}) \Delta t; P_{cons} \Delta t)$$

→ Too far from reality...

⁹ (Lorenti, 2021) ¹⁰ (RECopt, 2021) ¹¹ (Cielo, 2021)

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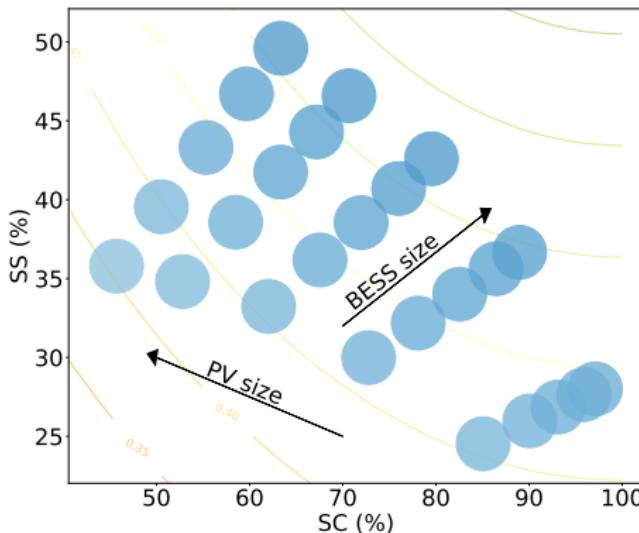
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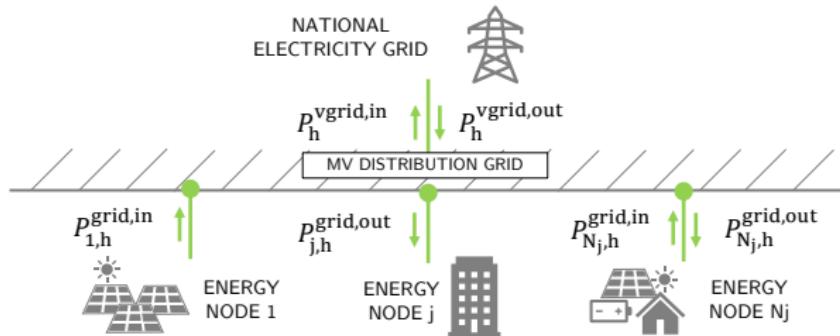
References

Can we maximize self-sufficiency and self-consumption?



- REC with PV-battery
- Comparison base case-REC with different sizes of the technologies
- SC and SS are **conflicting** objectives
- storage systems can improve **both**

RECs as multi-node systems



- **Multiple** “nodes” exchange energy through the MV grid
- Nodes can act individually or **collectively**
- Energy produced and not consumed **locally** is considered *injected* into the National grid (vice versa *withdrawn*)

$$E_{\text{shared}} = \min \left(\sum_j P_j^{\text{grid,in}} \Delta t; \sum_j P_j^{\text{grid,out}} \Delta t \right)$$



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Within a single energy node

- Energy balance in storage systems

$$E_{(h+1) \bmod N_h}^{\text{stor}} - \eta^{\text{stor}} E_h^{\text{stor}} = \left(\eta^{\text{in}} P_h^{\text{in}} - \frac{1}{\eta^{\text{out}}} P_h^{\text{out}} \right) \Delta t$$

- Constitutive equations of conversion components

$$k^{\text{conv}} P_h^{\text{in}} = P_h^{\text{out}}$$

- Energy balance of electricity

$$\left(P_h^{\text{grid,out}} - P_h^{\text{grid,in}} \right) \Delta t = \sum_{i \in j^{\text{in}}} P_h^{i,\text{in}} \Delta t - \sum_{i \in j^{\text{out}}} P_h^{i,\text{out}} \Delta t$$

- Mutual exclusivity between grid injections/withdrawals

$$\left(P_h^{\text{grid,out}} \leq \delta_h^{\text{out}} \cdot P_{\max}^{\text{grid,out}} \right) \wedge \left(P_h^{\text{grid,in}} \leq \delta_h^{\text{in}} \cdot P_{\max}^{\text{grid,in}} \right) \wedge \left(\delta_h^{\text{out}} + \delta_h^{\text{in}} \leq 1 \right)$$

Between energy nodes

- Energy balance on the MV distribution grid (here is the shared energy)

$$\left(P_h^{\text{vgrid,in}} - P_h^{\text{vgrid,out}} \right) \Delta t = \sum_j P_{j,h}^{\text{grid,in}} \Delta t - \sum_j P_{j,h}^{\text{grid,out}} \Delta t$$

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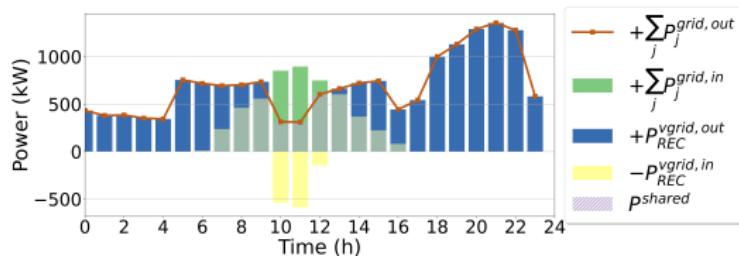
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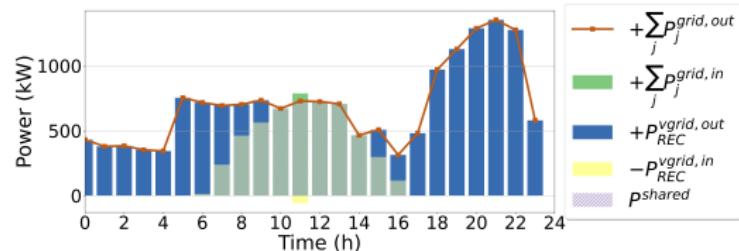
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Coordinated vs individual optimization

- Each node is optimized **individually**, shared energy is calculated *a posteriori*



- All nodes are optimized at the **same time**, shared energy is part of the optimization





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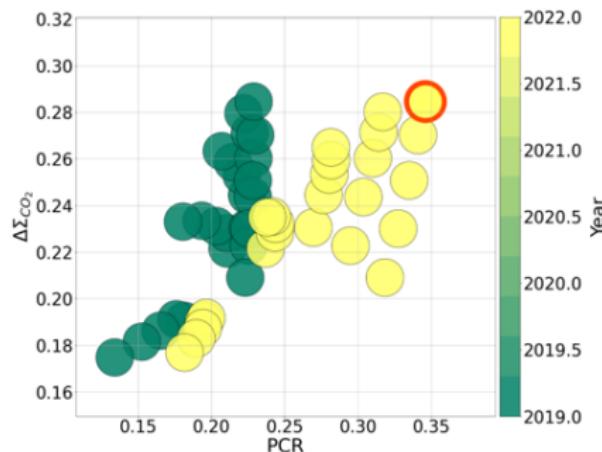
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Can REC dampen the effects of energy prices?



- REC with PV-battery
- Comparison base case-REC with **increasing** prices
- Better economics but improvement due to **physical** self-consumption (shared energy does not change)

Electricity storage systems (an Italian overcomplication)¹²

Context

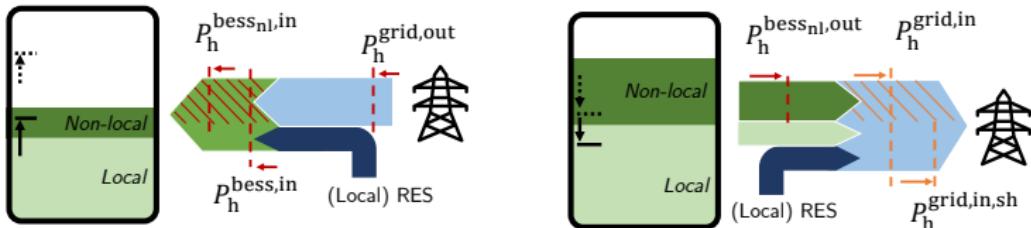
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$$P_h^{\text{bess_nl,in}} = \min(P_h^{\text{bess,in}}, P_h^{\text{grid,out}})$$

$$P_h^{\text{grid,in,inc}} = P_h^{\text{grid,in}} - \min(P_h^{\text{grid,in}}, P_h^{\text{bess_nl,out}})$$

- **Separation** of stored electricity into: local (same node) and non-local (from other nodes, i.e., passing through the grid)
- *Non-local* electricity is shared during the charge phase, but cannot be shared again
- Safely account storing electricity from **other** energy nodes

¹² (Lazzeroni, 2022)

“RECoupled”: electricity and other energy vectors¹³

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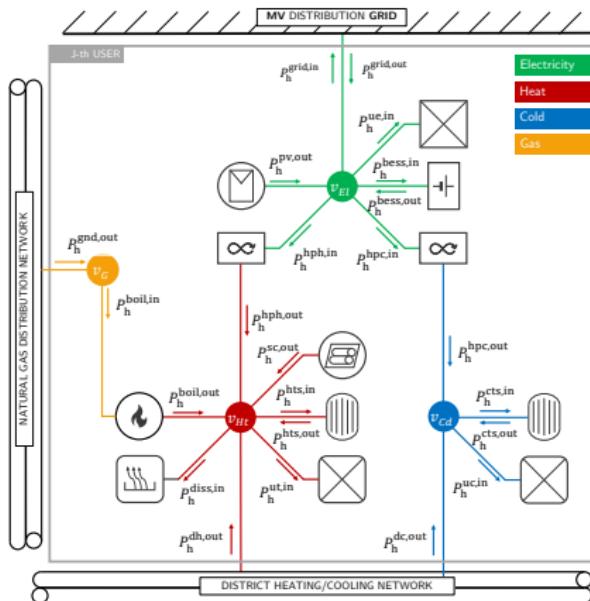
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- Multiple energy vectors **within** each node in a REC
- Surplus electricity can be **exchanged** among nodes through the distribution grid
- Production of other energy vectors must be consumed **locally**

→ A generalized and **flexible** model for RECs.

¹³ (Gulli', 2022)

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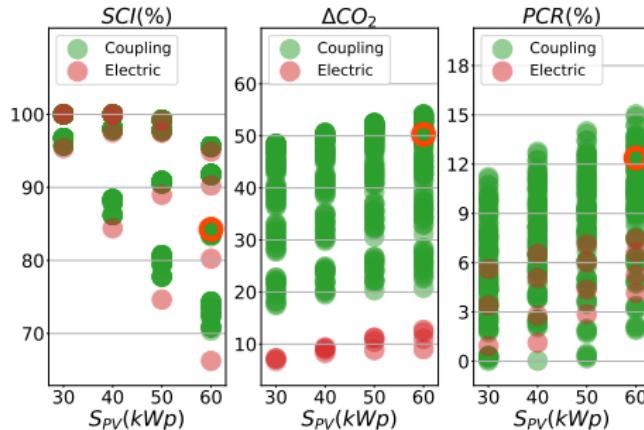
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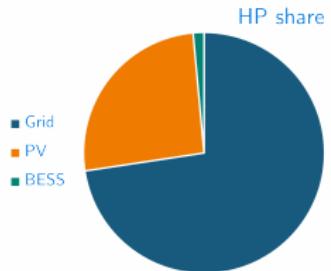
References

What are the benefits of sectors coupling in residential RECs?

- Single multifamily building with rooftop PV system and electricity storage
- Electrification of thermal demand with heat pump and heat storage system
- **Better economics and environmental benefits with sectors coupling**



REC benefits against HP benefits





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Results snippet

Analysis at national level¹⁴

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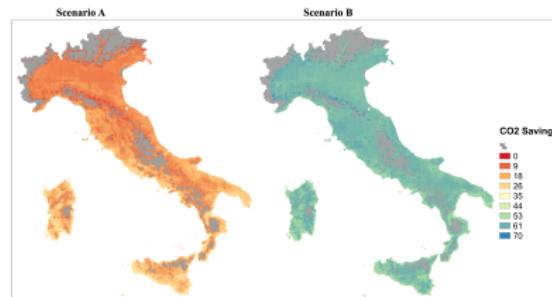
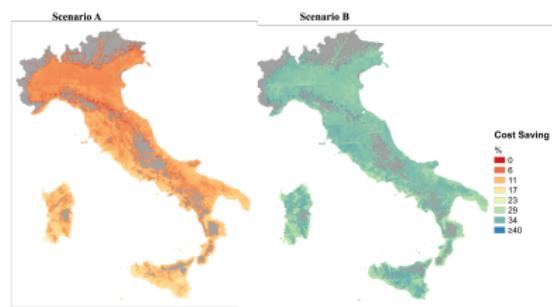
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¹⁴ (Canova, 2022)

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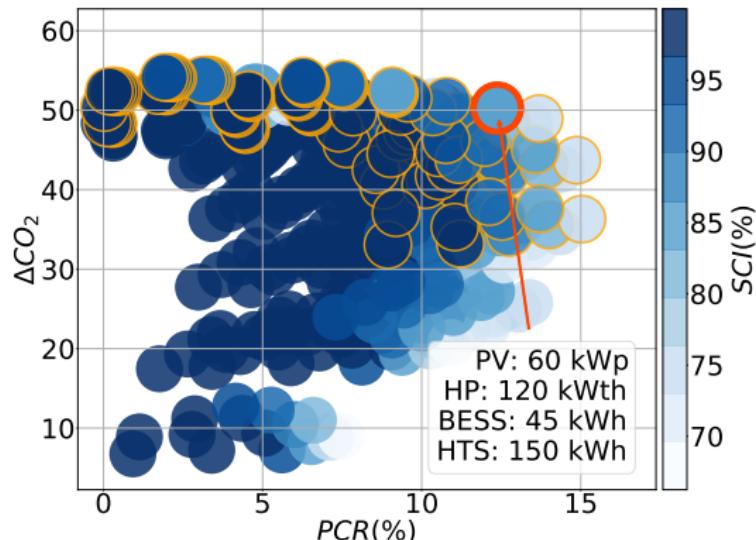
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What is the impact of storage systems?



- Different objectives are **conflicting**
- Storage systems can **optimize** PV and HP sizes (and their utilization)



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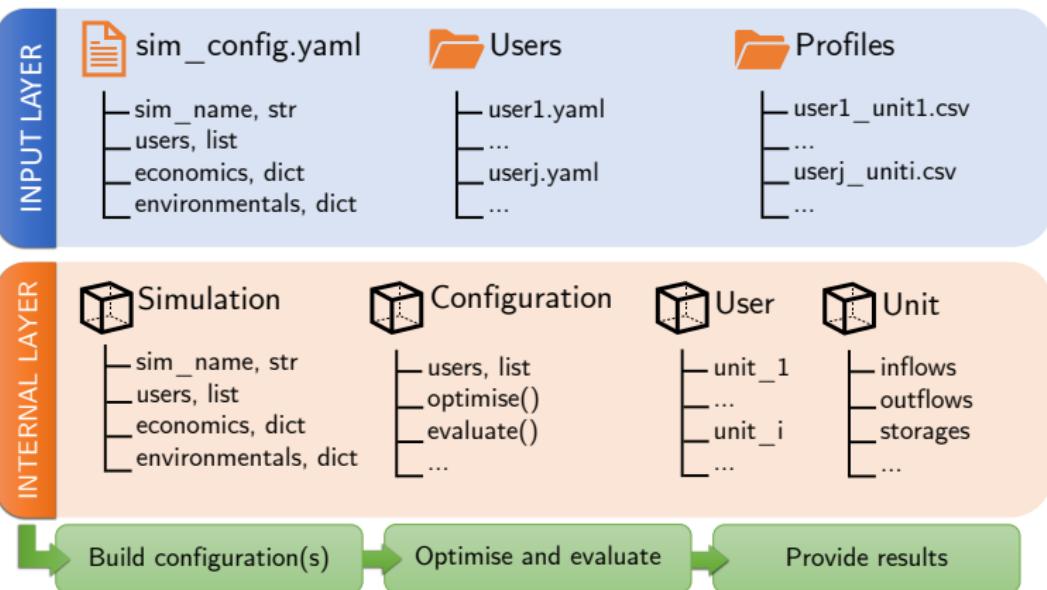
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Python tool “RECoupled”



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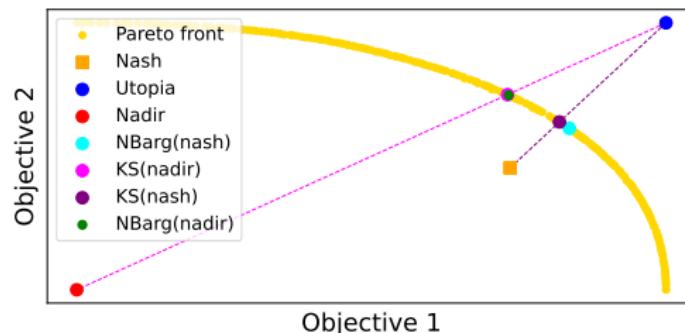
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Metaheuristics and game theory in MOOP (WIP)

- Metaheuristic algorithm such as genetic or Artificial Immune Systems¹⁵ can effectively find the Pareto front in MOOPs
- Problems of increasing size might become **unmanageable**, with many objectives the Pareto front can lose meaning
- Game theory concepts can be used to **avoid** the Pareto front and find equilibrium points between conflicting objectives



¹⁵ (Lorenti, 2023)



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How to divide benefits among REC members?



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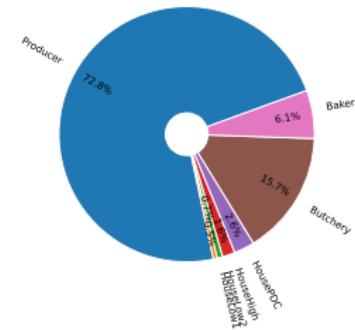
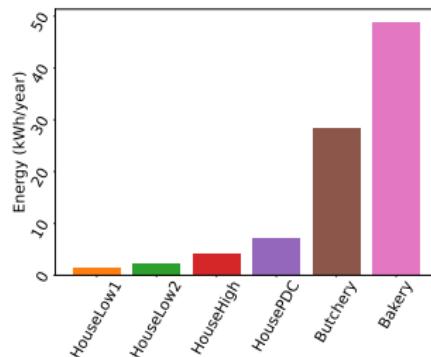
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Game theory to divide benefits between REC members^{16,17}

- Each REC member is a **participant** to the game
- The **value v** is defined (e.g., yearly incomes of the REC)
- The **contribution** of participant i to total value is evaluated from the sub-coalitions S of the whole configuration N
(Shapley value) $\Phi_i = \sum_{S \subseteq N \setminus \{i\}} \frac{|S|!(|N|-|S|-1)!}{|N|!} (v(S \cup \{i\}) - v(S))$

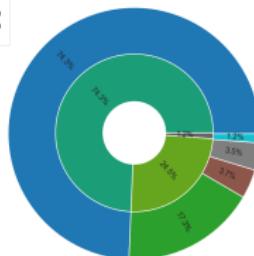


¹⁶ (Moncecchi, 2020) ¹⁷ (Fioriti, 2021)

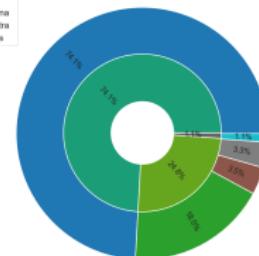
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Is game theory always needed?

- Adoption of a heuristic distribution model, where a coefficient of division between producers and consumers is defined (β_{prod})
- The value of each participant is evaluated as the hourly contribution to the total production/consumption
- Similar results, **provided** that β_{prod} is correctly calibrated



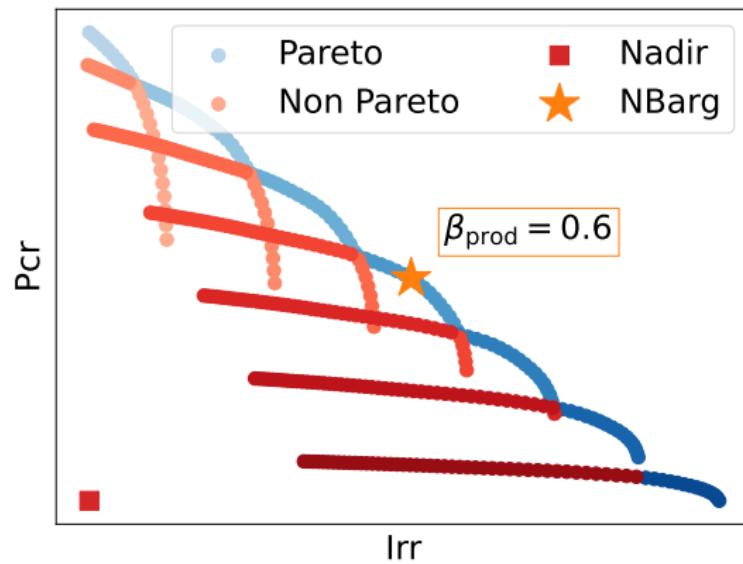
Shapley



Heuristic ($\beta_{\text{prod}} = 0.7$)

Benefits sharing in the multi-objective optimization (WIP)

- A multi-objective optimization approach can be adopted to find an **equilibrium** business model





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How to obtain the necessary input data? How to pre-process them?

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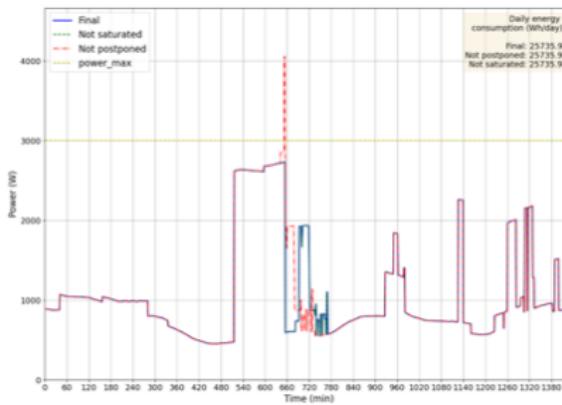
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Electricity load profiles

A probabilistic bottom-up approach¹⁸



- Household demand simulation from electric appliances usage in Italian families¹⁹
- Energy classes and statistical data of appliances distribution
- Power profiles of appliances during their working-cycles

Future development: updated database²⁰ and “social” aspects (e.g., different family compositions) (WIP)

¹⁸ (Cadema, 2021)

¹⁹ (MICENE, 2010)

²⁰ (Besagni, 2020)



Electricity load profiles (cont'd)

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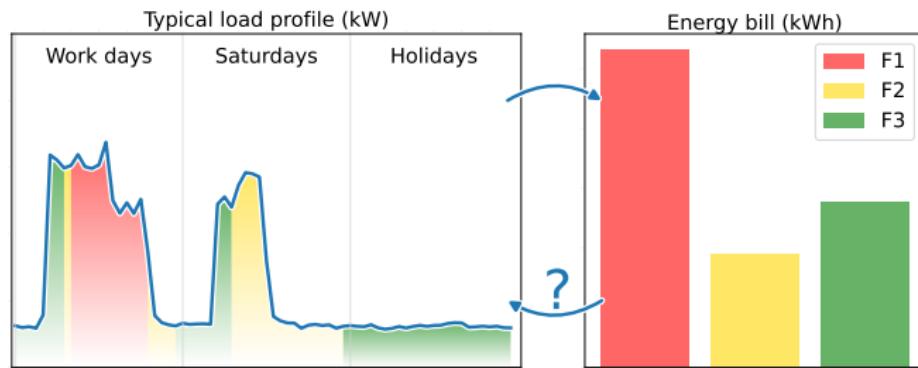
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Data-driven load prediction from energy bills (WIP)

- Three **time-of-use** tariffs in the Italian electricity billing system (on-peak, F1, mid-peak, F2, off-peak, F3)
- *Can we use this data to predict hourly load from energy bills?*
- KNN-based approach to **map** an energy bill into a typical load profile using a data set of measurement





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Reducing the computational burden of optimization

- **Typical** patterns (e.g., daily) can be found in RES production
an end users consumption profiles
- Clustering algorithms (unsupervised learning) can be used to
find these typical patterns or groups of end users
- The computational burden of optimization procedures is
safely reduced by considering only a certain amount of data
which are however **representative**



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What are the main issues? What are our future perspectives?

*What are the features of online vs offline optimization?*

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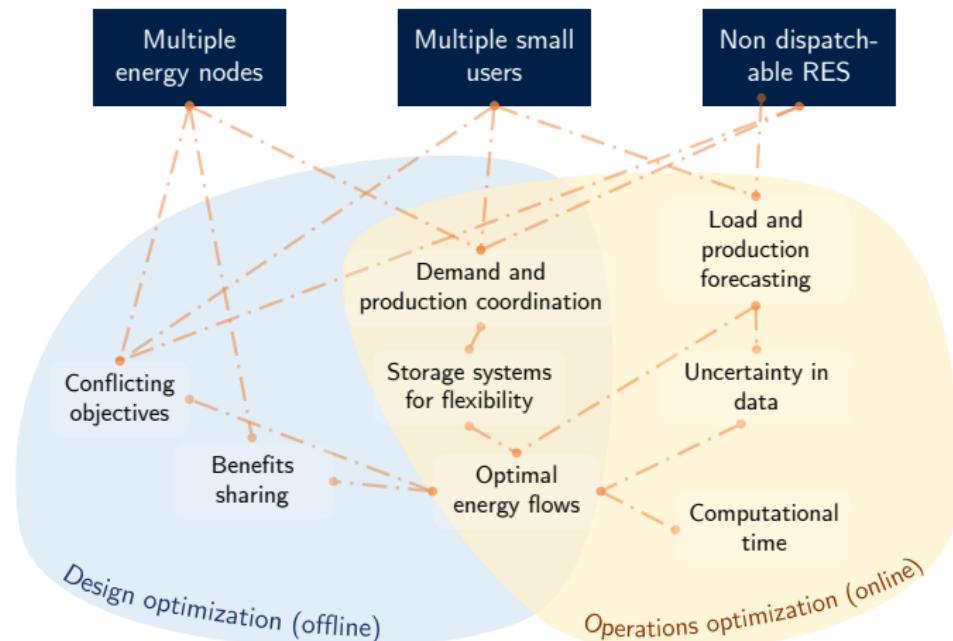
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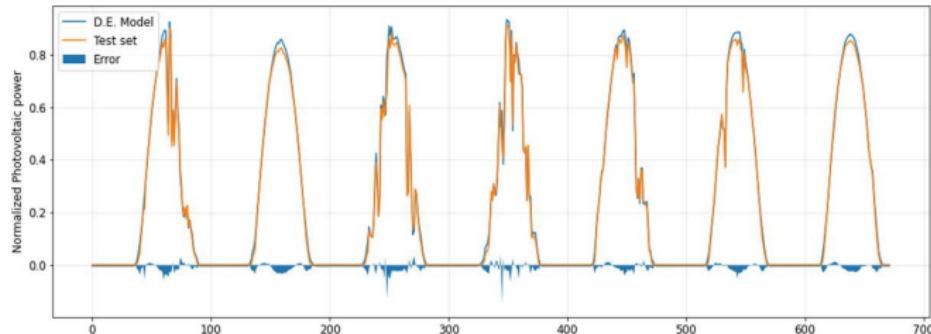
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Prediction of PV production with artificial neural networks²¹

- Artificial Neural Networks for prediction of PV production from weather data (irradiance, temperature)
- Differential Evolution algorithm for ANN training
- Competitive performance with state-of-the-art Adam algorithm in terms of error but more stable
- “Late” finding: simple task, ANN may be overqualified

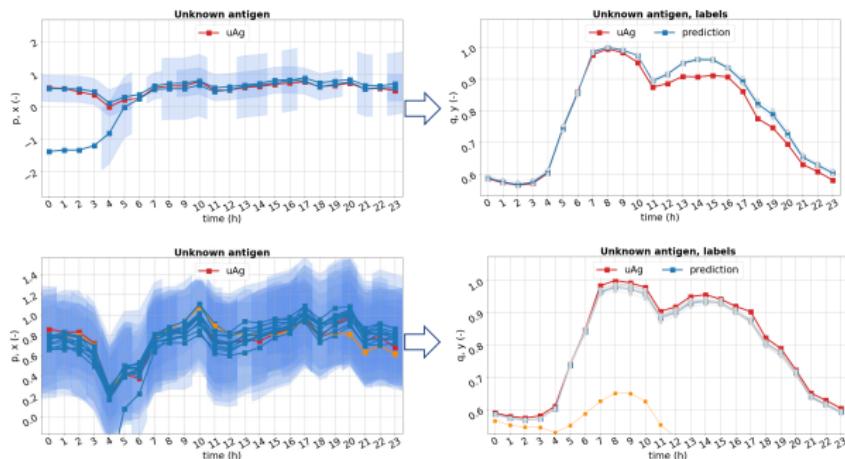


²¹ (Lorenti, 2022)



Forecasting of electric load²² (implementation exercise)

- Artificial Immune System for day-ahead forecasting trained on 1-years data of previous-next day pairs (aggregated data)
- 4.3% average MAPE on test set

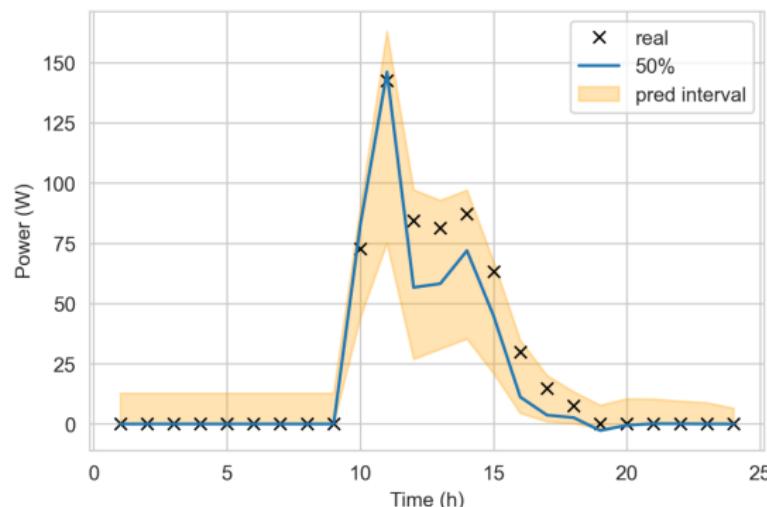




Can we include uncertainty in our predictions? (WIP)

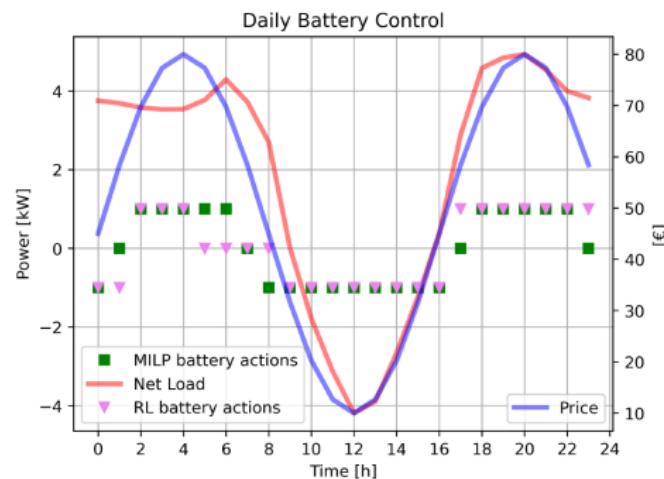
- Quantile linear auto-regression for a PV module production forecasting
- Predictions can be extended to a confidence interval

5% ÷ 95% uncertainty band



Can RL be implemented into real time operations?²³

- Training of a model-free RL algorithm to manage the on-off status of a battery storage coupled with a PV system
- Nearly-optimal control, but on synthetic and stationary data



²³ (Repetto, 2022)



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What are the possible directions for future works?

- Online optimization of the energy flows is **crucial**:
 - ➊ when passing from design (offline) to operation
 - ➋ to assess real performance (probably, **suboptimal**) during design
- The same REC model and MILP solver can be turned into a model **predictive** control (MPC) algorithm to optimize energy flows in a sliding window fashion (*how to react to forecasting errors?*)
- Stochastic programming might be a viable option to include **uncertainty** in input data (also in offline design)
- Computational complexity and **feasibility** of the control must be taken into account (how to communicate data from a multitude of nodes?)



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Merci de votre attention!



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Context

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