

*Session 2: Energy-efficient Datacenters*

# **Joint Capacity Planning and Operational Management for Sustainable Data Centers and Demand Response**

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**Tan N. Le** and Zhenhua Liu



Stony Brook **University**

Yuan Chen and Cullen Bash



[tan.le@stonybrook.edu](mailto:tan.le@stonybrook.edu)

# Total global cloud traffic growth



# The Billions in Data Center Spending behind Cloud Revenue Growth

BY YEVGENIY SVERDLIK ON OCTOBER 23, 2015

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The downside of having a thriving cloud services business is the enormous amount of money a company needs to spend on data center infrastructure to support it. And the faster it grows, the more money it needs to spend.

Every quarter, cloud giants Amazon, Microsoft, IBM, and Google collectively spend billions of dollars on servers and other hardware for their cloud services and data centers around the world to house all that gear, and the quarter that ended September 30 was no different.

<http://www.datacenterknowledge.com/>

# Environmental threat from data centers

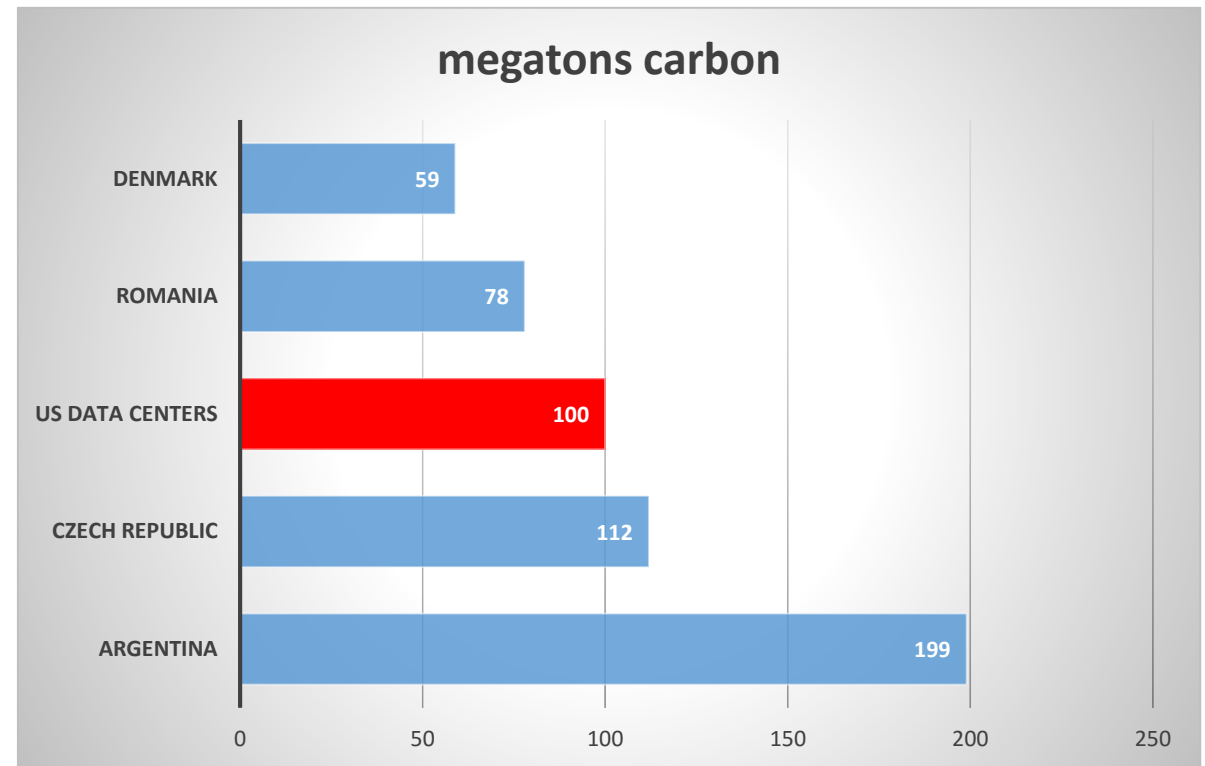
450W    5.2 tons carbon a year



=



Emissions in 2013

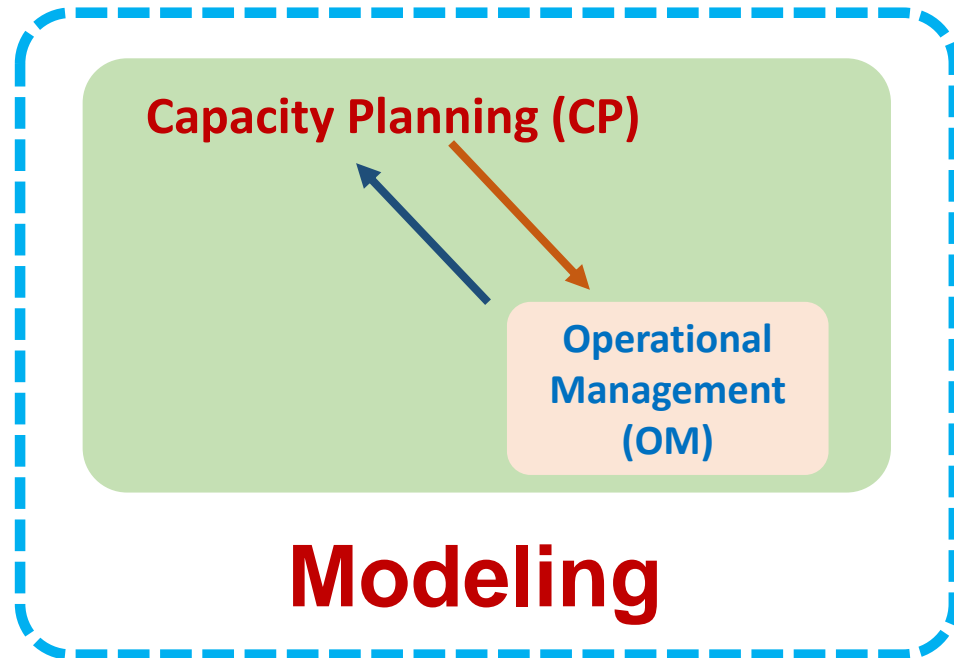


Carbon footprints of servers can vary by 10x, [www.vertatique.com](http://www.vertatique.com)  
E. Facts. Greenhouse gas emissions from a typical passenger vehicle, 2005.

[www.nrdc.org](http://www.nrdc.org) & [wikipedia.org](http://wikipedia.org)

**Goal:** Reduce costs and emissions for data centers with **renewables**

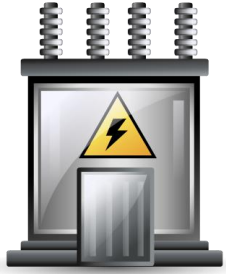
**Approach:** Joint Optimization of CP and OM



**Evaluation**



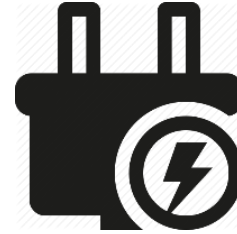
servers



Power sources



cooling



electricity bills



fuel

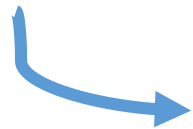


maintenance

## Capacity Planning (CP)

## Operational Management (OM)

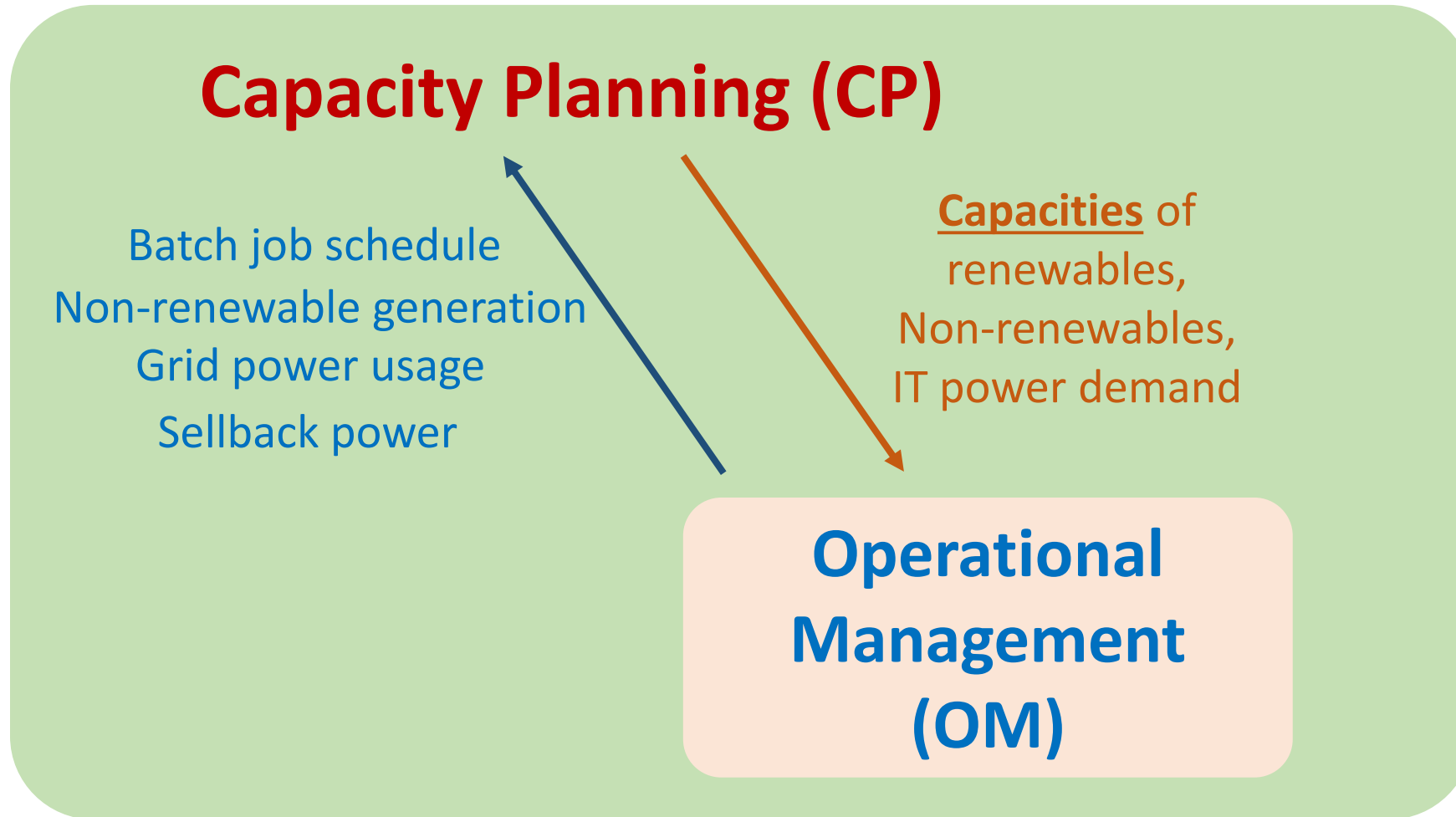
Traditionally, they are **separate**



**This results in significant inefficiencies**

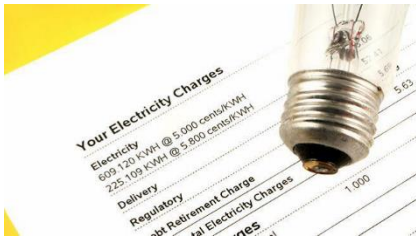
**Ex:** CP is based on peak demand,  
but peak can be shaped in OM

# Proposed Joint Optimization Framework



# Joint Optimization Framework

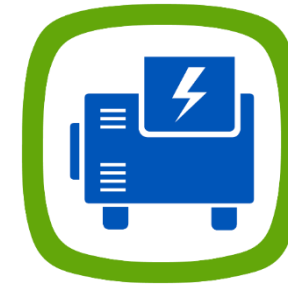
$$\text{minimize } UtilBill + RGEx + NGEx + ITEx$$



Utility bills (*UtilBill*)



Renewable Generation Expense (*RGEx*)



Non-renewable Generation Expense (*NGEx*)



IT expense (*ITEx*)

CP cost

N/A

Infra. Cost

Infra. Cost

Infra. cost

OM cost

Purchase – Sell back

O&M costs

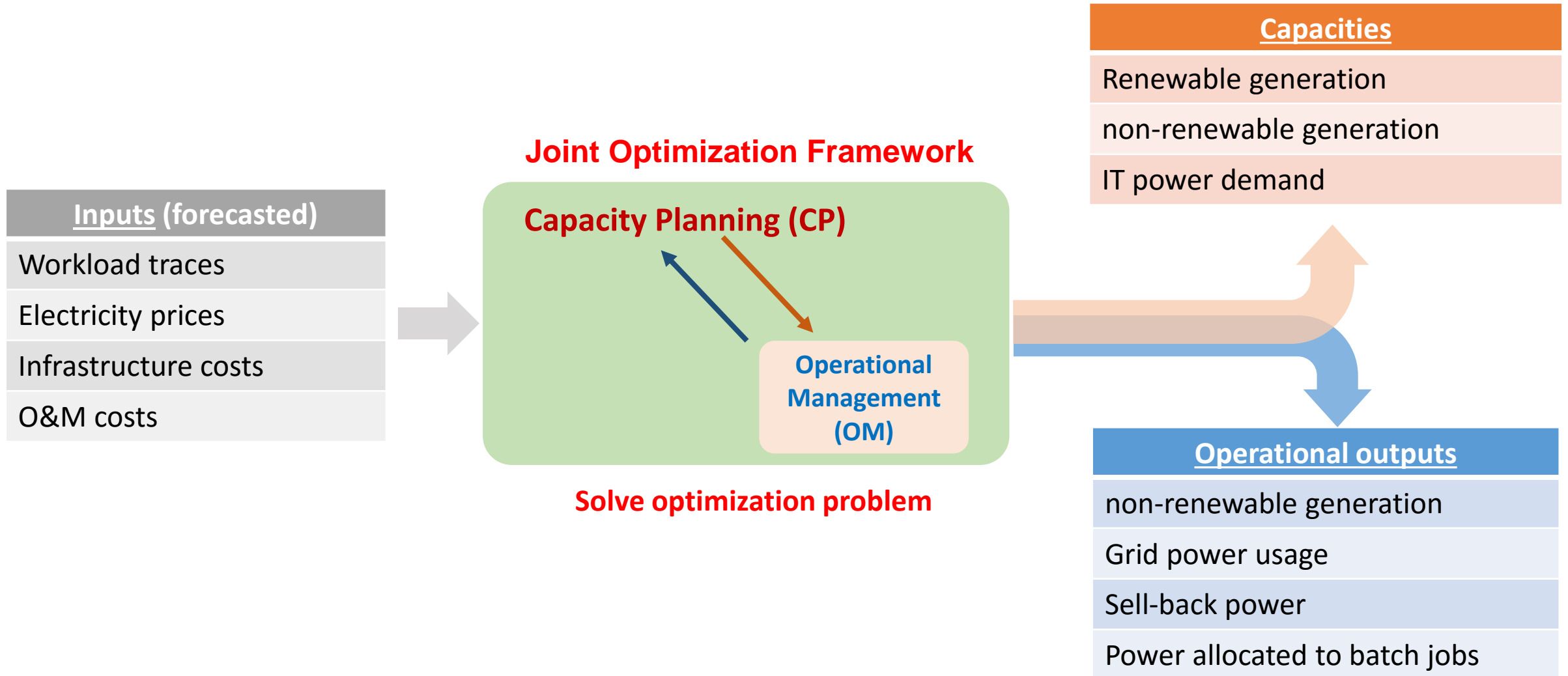
O&M costs

O&M costs

The optimization problem is convex

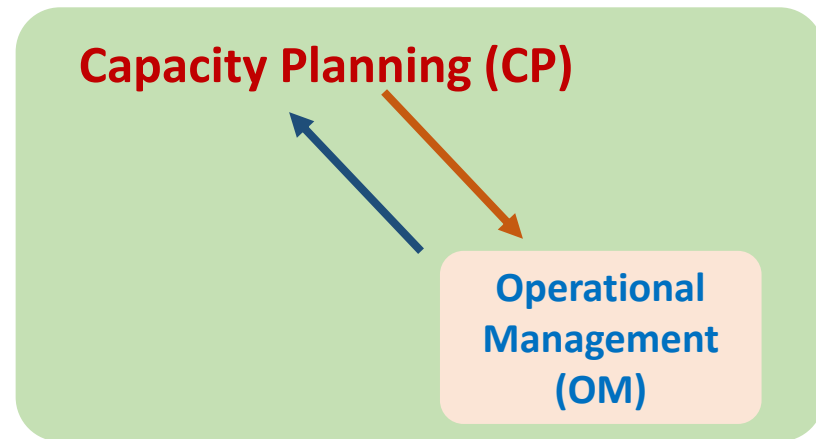


# How the framework operates?



**Goal:** Reduce costs and emissions for data centers with **renewables**

**Approach:** Joint Optimization of CP & OM

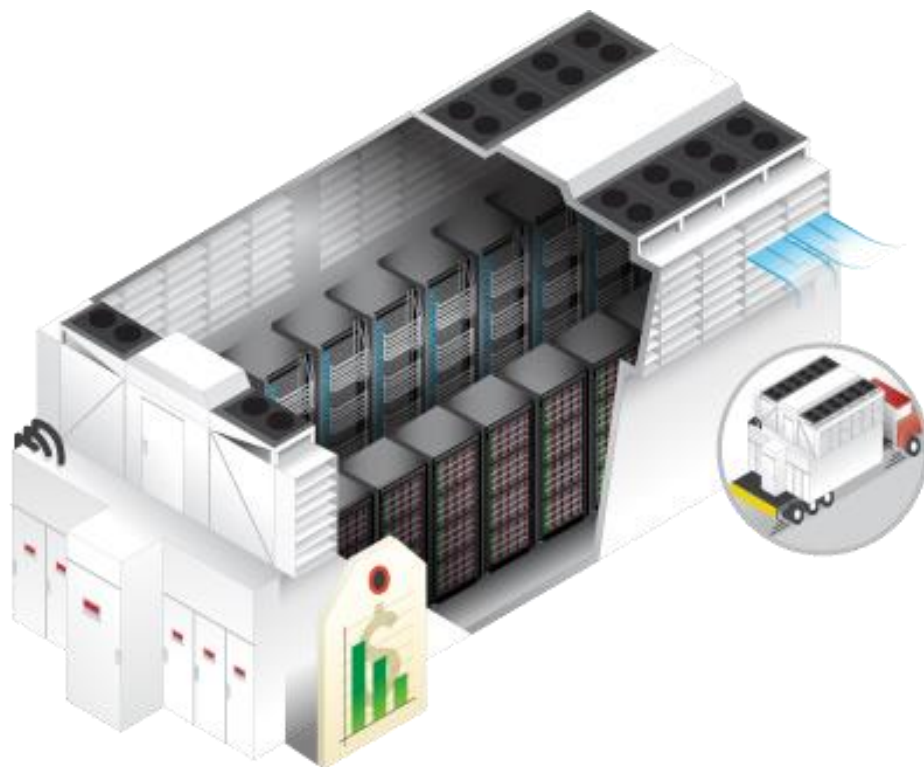


**Modeling**



**Evaluation**

# Simulation based on 1MW HP EcoPod Data Center



HP EcoPODs 240a

## Case study

### IT efficiency races forward in eBay Inc.'s data centers with HP EcoPODs



Highly efficient modular data centers are a key part of company's growth strategy

**Industry**  
Online commerce

**Objective**  
Meet ongoing growth in a highly efficient manner.

**Approach**  
Deploy HP EcoPODs and fully loaded server racks.

**IT matters**

- Cut costs with innovative approaches to power and cooling.
- Streamline the deployment of data center resources.

**Business matters**

- Fuel business growth with on-demand deployment of data center resources.
- Avoid steep upfront costs for brick-and-mortar data centers.

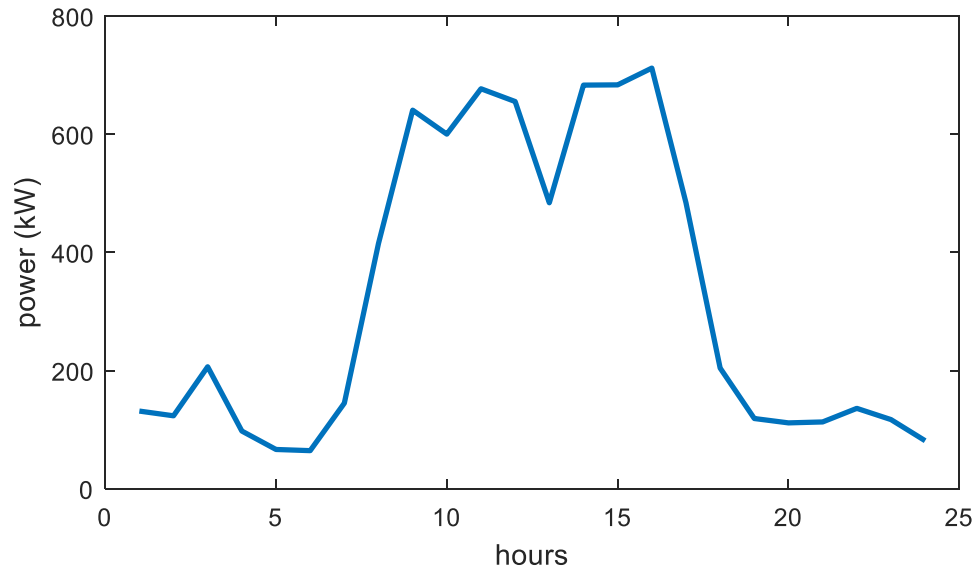


**"Our HP EcoPODs are very efficient—sub 1.1 PUEs. That keeps our costs down."**

— Paul Santana, Director of Data Center Operations, eBay Inc.

[www.hp.com](http://www.hp.com)

# Demand Side



CPU power usage trace

Peak-to-Mean ratio: 3

PUE: 1.2

Annual increase rate: 9% a year ↗

[www.zdnet.com]

**Interactive** workload: 50%

Utilization of server: 40%

**Batch jobs**: 50%

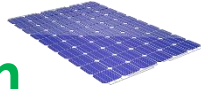
Flexibility 24 hours

Maximum utilization is 90%

*We do not include capacity planning for IT equipment*

# Supply Side

## PV generation



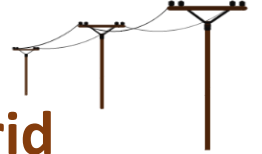
Capacity factor: ~18%

[Houston traces]

## General Electric (GE) Natural Gas generation



## Electricity grid



[Texas]

Infra. cost: **\$2.15/W** a year > Infra. cost: **\$1/W** a year > Infra. cost: **\$0/W** a year

12% a year  [cleantechnica]

Operational cost: **\$0/kWh** < Operational cost: **\$0.06/kWh** > Price: **\$0.056/kWh**

1% a year  [www.eia.com]

5% a year  [Texas]

Maintenance cost: **\$0.005/kWh** = Maintenance cost: **\$0.005/kWh** > Maintenance cost: **\$0/kWh**

Emission rate: **0.034g/kWh** < Emission rate: **0.443g/kWh** > Emission rate: **0.5g/kWh**

# Comparisons with baseline methods

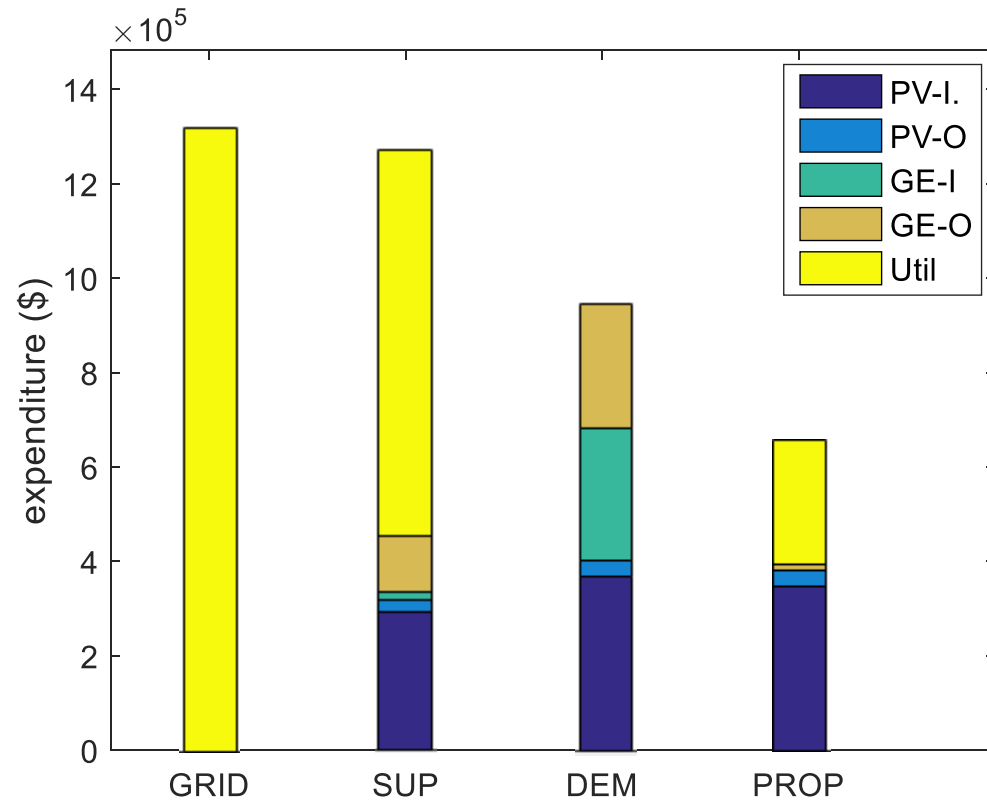
Grid Only (**GRID**) in traditional data centers  
*provisions power only from the electricity grid*

Supply-only Optimization (**SUP**)  
*optimizes power sources based on  
given demand*

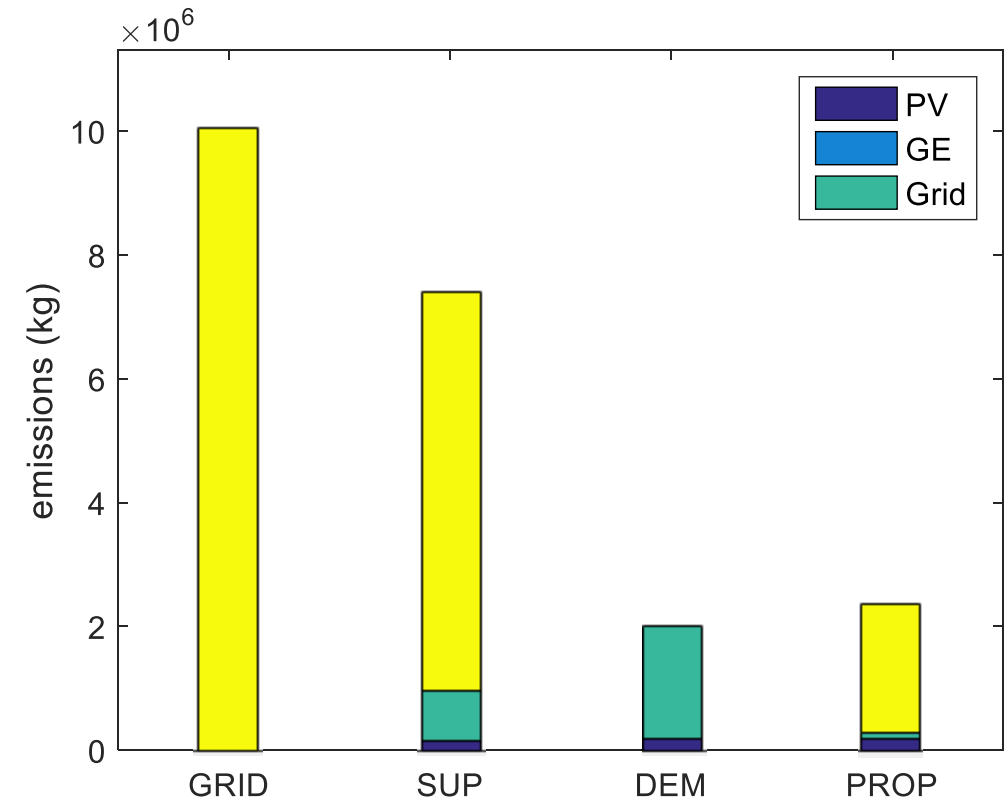
Demand-only Optimization (**DEM**)  
*optimizes power demand based on  
given the capacity planning*

Proposed framework (**PROP**)  
*Joint Capacity Planning & Operational Management*

# Question: How much can we improve?



**Cost: PROP = 50 % GRID**



**Emissions: PROP = 25 % GRID**

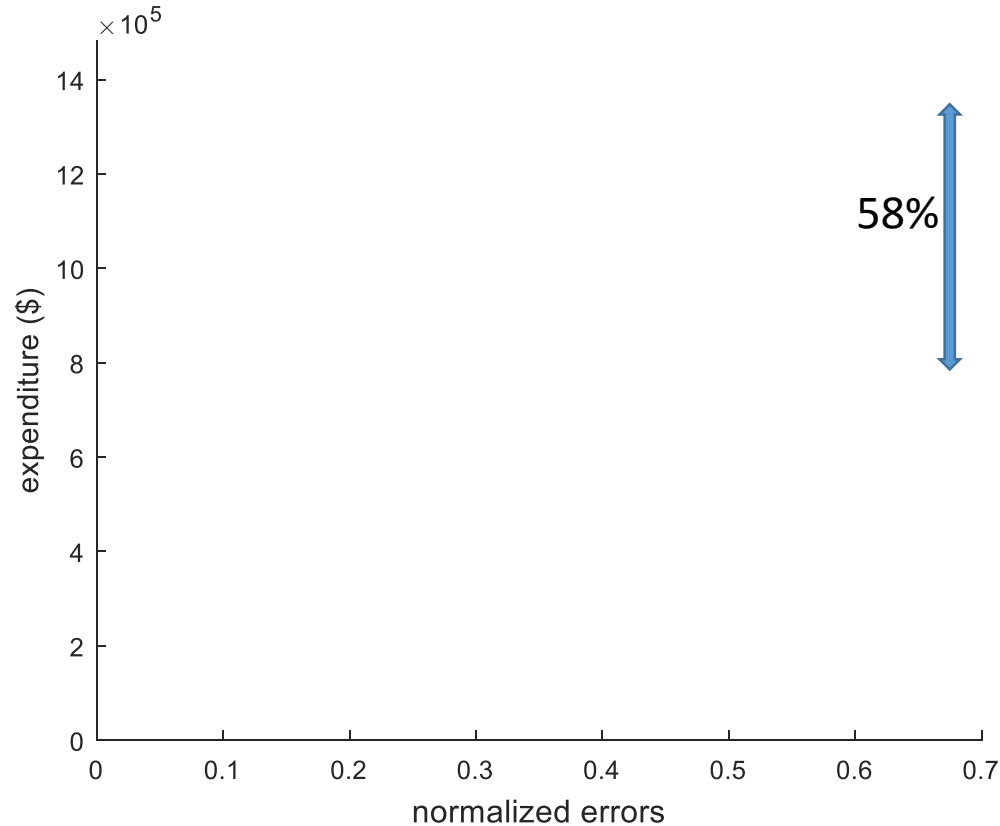
**GRID:** Grid only

**DEM:** Demand-only optimization

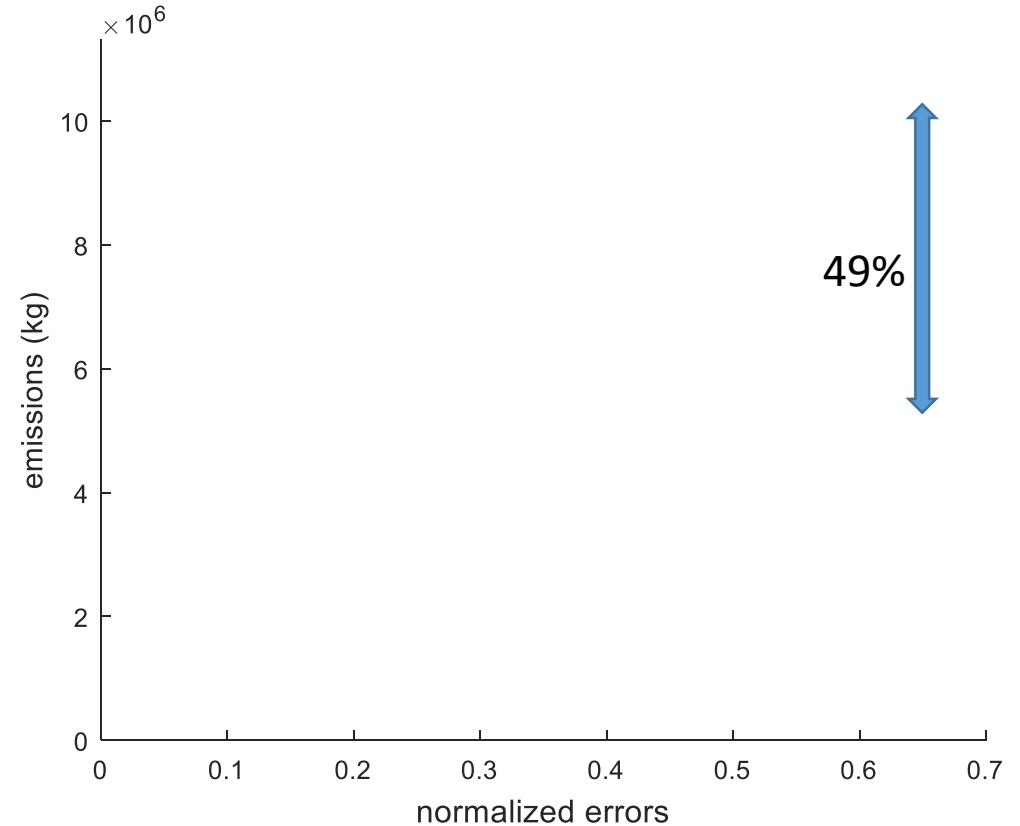
**SUP:** Supply-only optimization

**PROP:** Proposed framework

# Costs and emissions under prediction errors



Expenditures vs. prediction errors



Emissions vs. prediction errors

**PROP significantly outperforms GRID under large prediction errors**

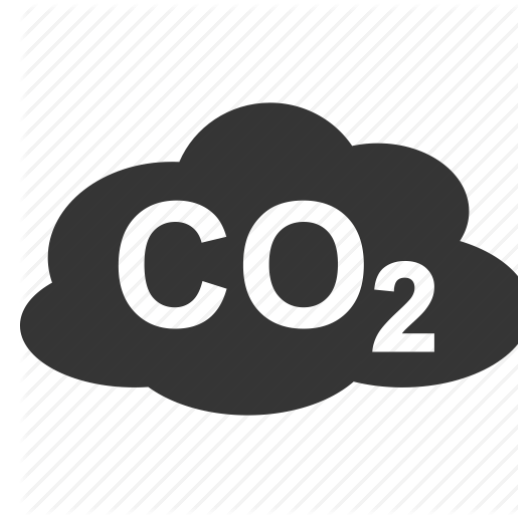


# Joint Capacity Planning and Operational Management

Cost saving 50%

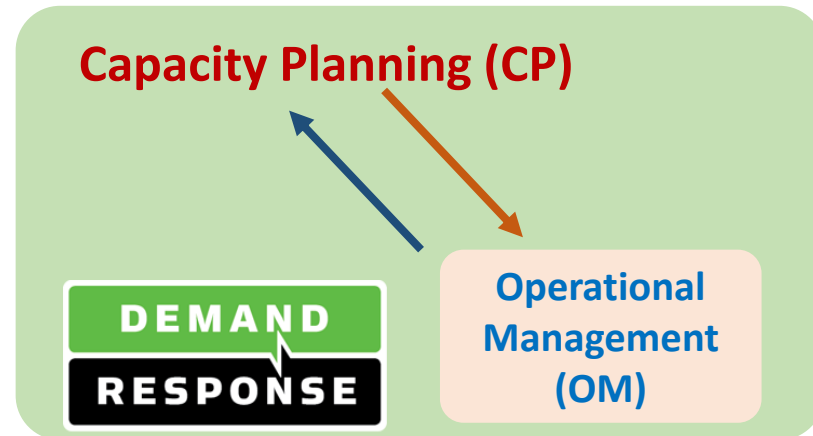


Emission reduction 75%



**Goal:** Reduce data center costs with Demand Response

**Approach:** Joint Optimization of CP & OM



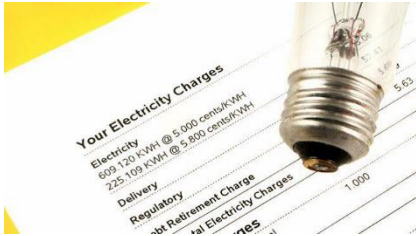
**Modeling**



**Evaluation**

# Extending Joint Optimization Framework for DCDR

*minimize*    *UtilBill*    + *RGEx*    + *NGEx*    + *ITEx*



Utility bills (*UtilBill*)



Renewable Generation Expense (*RGEx*)



Non-renewable Generation Expense (*NGEx*)



IT expense (*ITEx*)

**CP cost**

N/A

Infra. cost

Infra. Cost

Infra. cost

**OM cost**

Purchase – Sell back

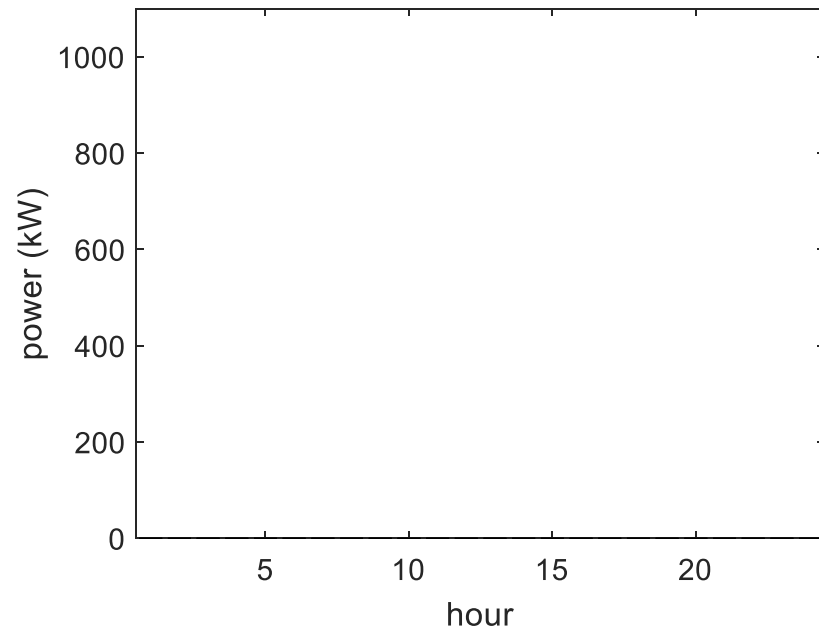
O&M costs

O&M costs

O&M costs

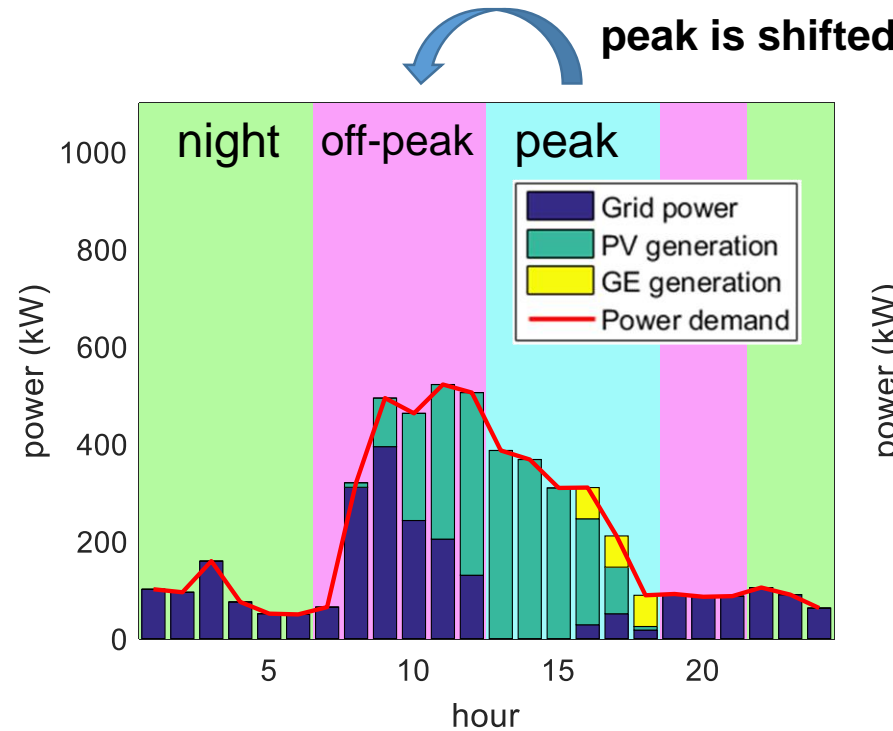
- DR reward + DR penalty

# Operation of Framework in DR programs



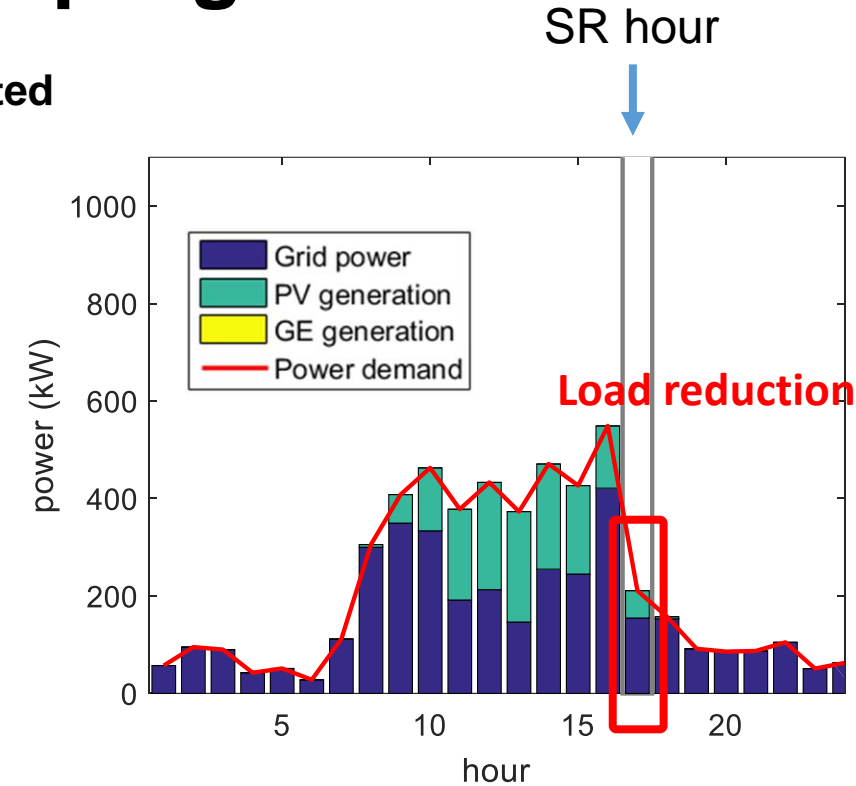
Without DR programs

Base price: \$0.056/kWh



Time of Use (ToU)

\$0.05 (night), \$0.219 (peak), \$0.06 (off) /kWh



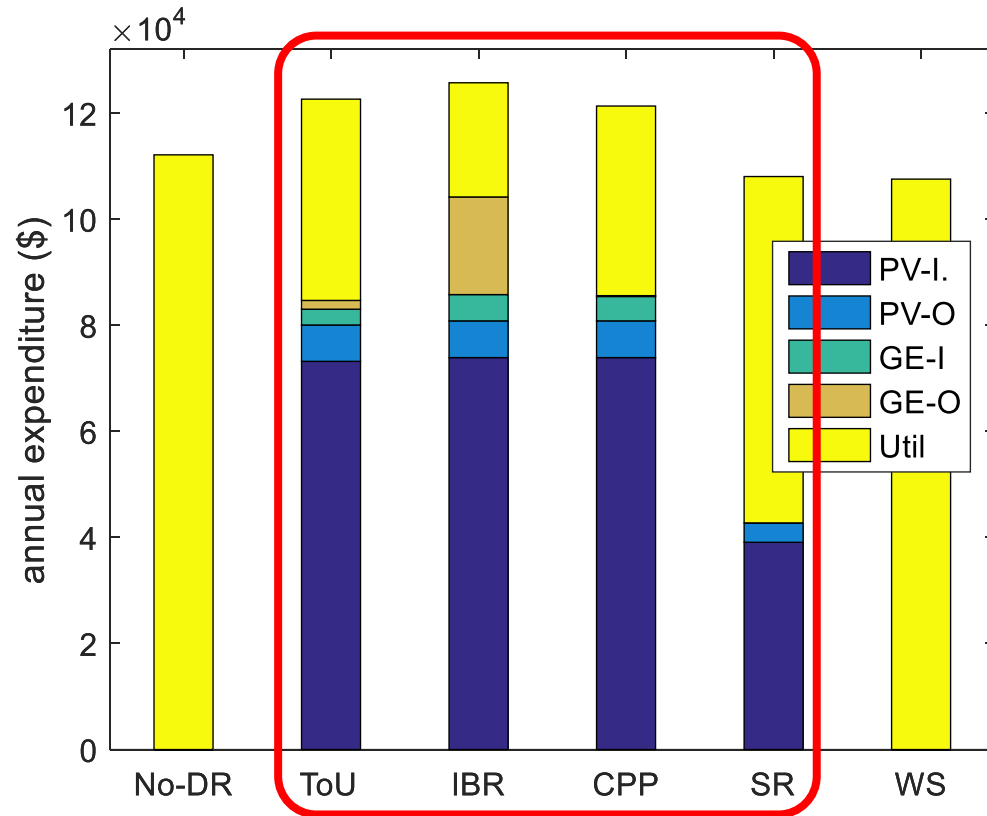
Spinning Reserve (SR)

SR rate: \$0.02/kWh

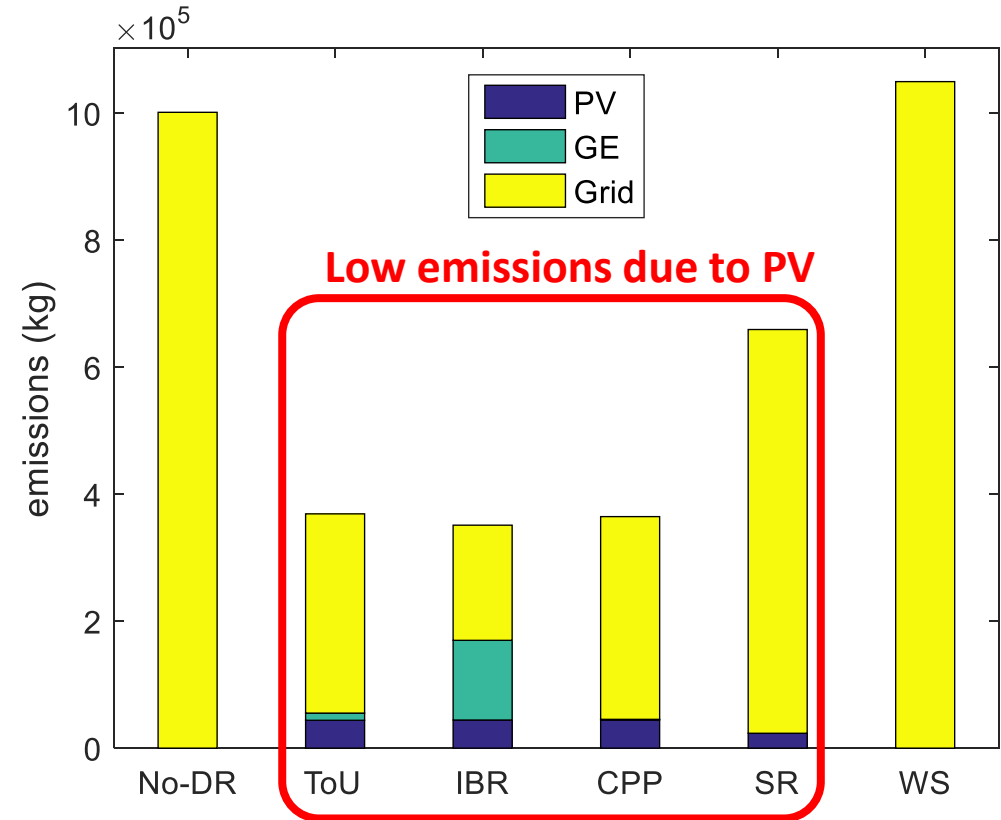
**Data center additionally provisions PV & GE to adapt to DR programs**

# Question: How DR impacts on data centers?

PV & GE are used



**Costs & capacities vary in different DR programs**



**Some DR programs result in low emissions**

IBR: Inclining Block Rates  
\$0.2 (>50kW), \$0.5 (>100kW)

CPP: Critical Coincident Peak Pricing  
CPP rate: \$11.2/kWh

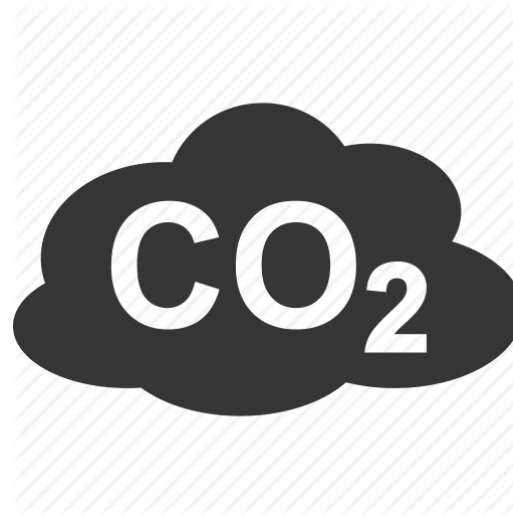
WS: Wholesale market  
\$0.05/kWh

# Joint Capacity Planning and Operational Management

Cost saving 50%



Emission reduction 75%



Well adapting to



# Thank you