

# A Control Loop Approach for Integrating the Future Decentralized Power Markets and Grids

Symposium „EnergieCampus“ 2013 in Ulm

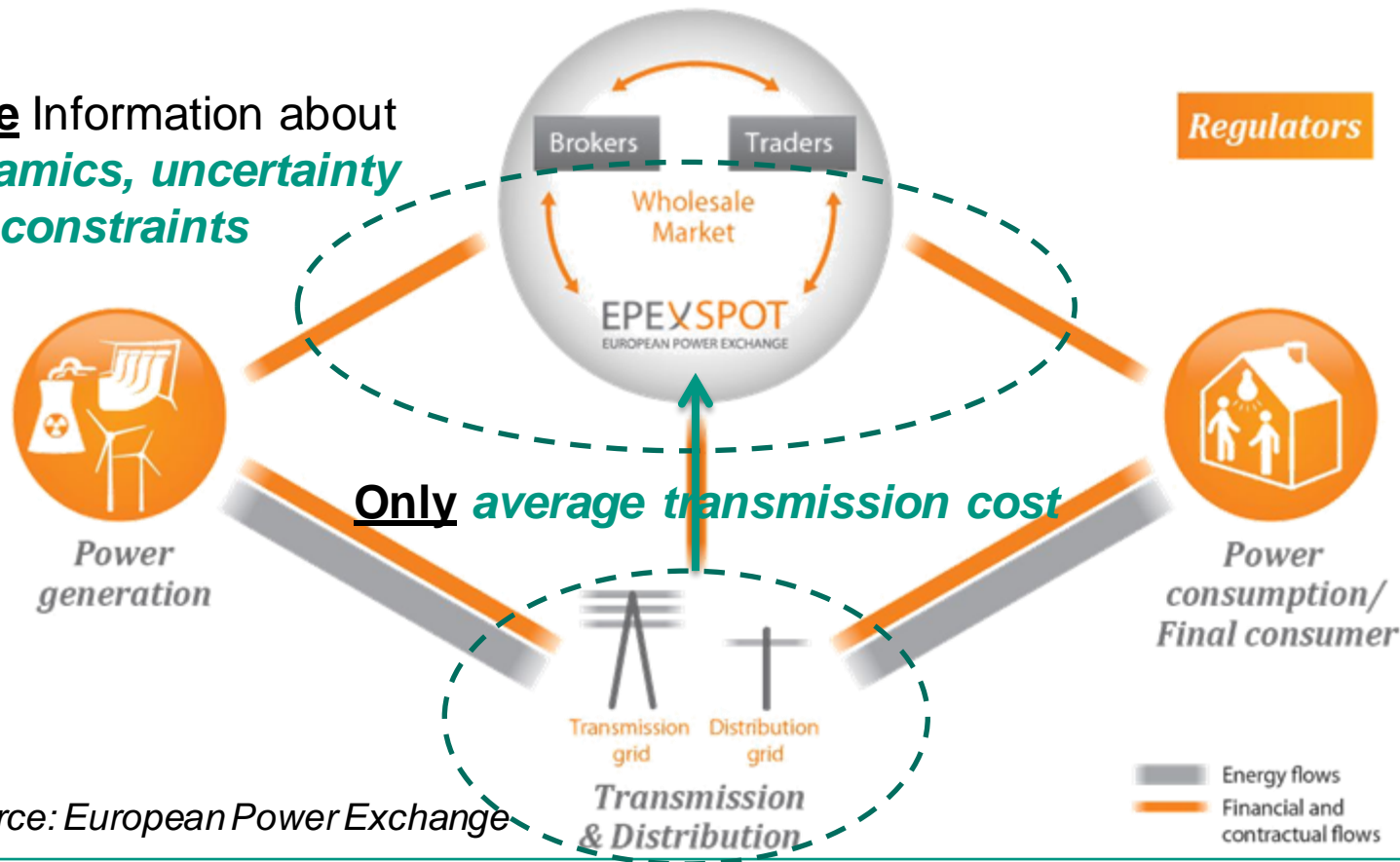
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# Current state of the European power market

- Liberalization and full retail competition
- Decentralized energy generation units → *new market model*

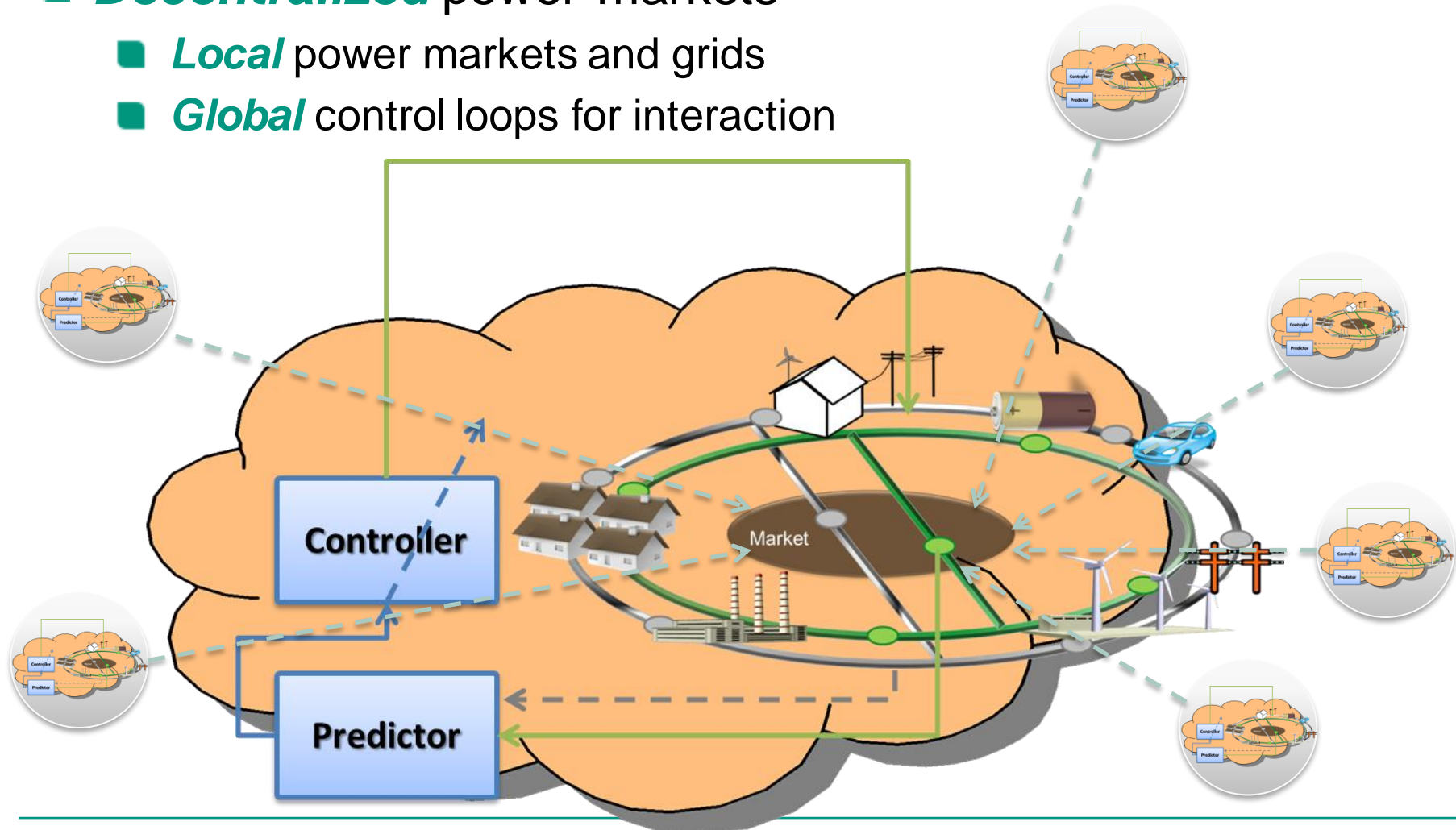
**Little** Information about *dynamics, uncertainty* and *constraints*



Source: European Power Exchange

# System Design – A Distributed Architecture

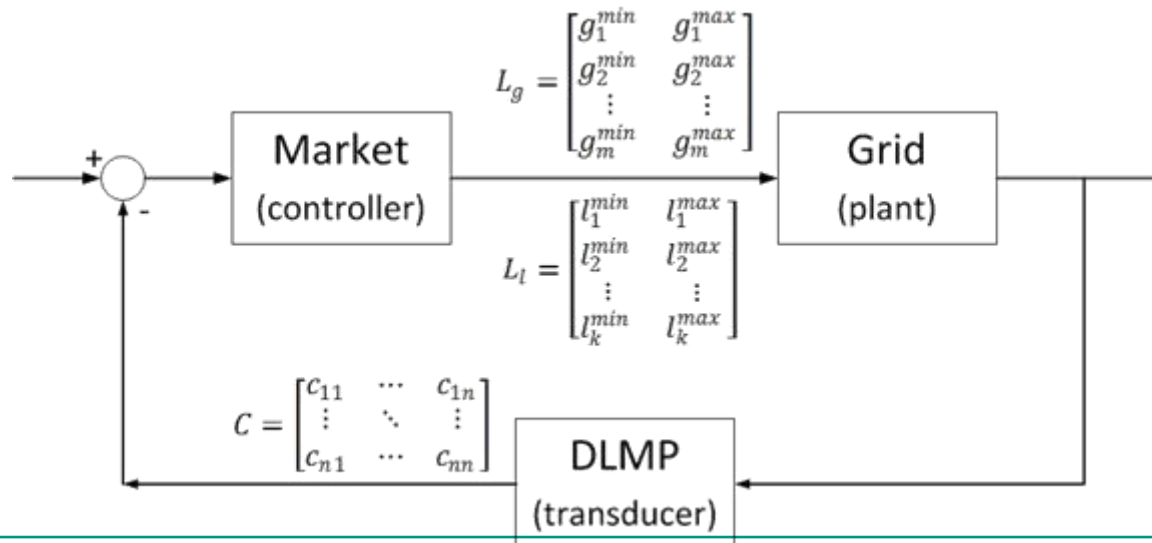
- **Decentralized** power markets
  - **Local** power markets and grids
  - **Global** control loops for interaction



- Generating **coefficient matrix**  $C$  for a market update

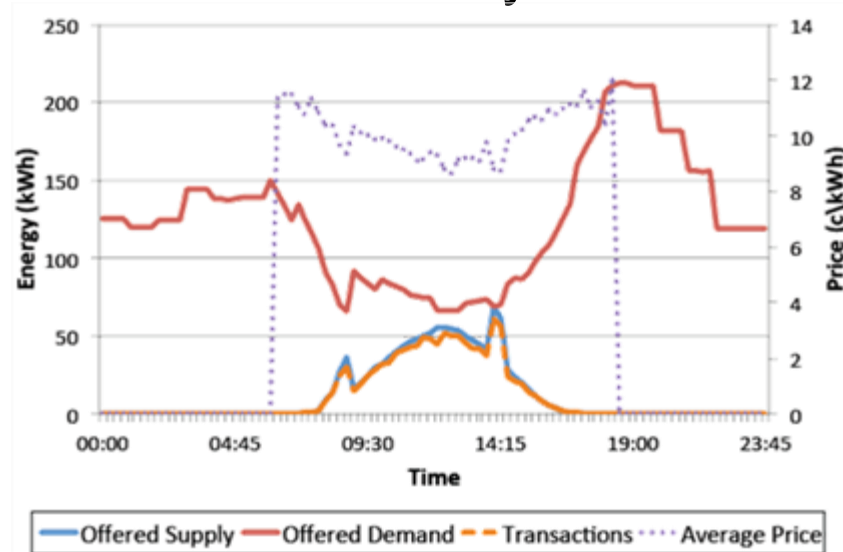
$$C = \begin{bmatrix} 0 & \dots & \frac{|LMP_1^P - LMP_N^P|}{LMP_N^P} \\ \vdots & \ddots & \vdots \\ \frac{|LMP_N^P - LMP_1^P|}{LMP_1^P} & \dots & 0 \end{bmatrix}$$

- $C$  matrix as feedback signal for integrating market and grid



# First Evaluation

## ■ Trading outcomes for one day of NOBEL market operation



## ■ A *market* operating *simulation* on a power system ...

- IEEE 14-bus system with 14 prosumer households
- In each timeslot, half buyers and the other half sellers
- Transaction comparison without and with power system constraints  $C$
- ➡ 100% power traded, dropped to 89%

# Conclusions and Future Work

- A control loop approach ...
  - Power grid and market interaction
  - An OPF-based power system model
  - The NOBEL market model
  - A LMP-based coefficient matrix
  - ➡ Initial experiments shown a feasible adaptation
  
- *Future work*
  - Co-simulation of distributed power grids and markets
  - System plant extension with power market
  - Control loop stability evaluation with real world data on both

■ *Thank You!*  
■ *Questions?*