Energy forecasting as a way to integrate renewable energies
Content

Who we are

Energy Forecasting

Why forecasts are important?

Renewable Energies in Advanced Markets

Forecasting Systems. State of the Art
• Gnarum = I knew it!

• IT solutions for renewables

• Added-value knowledge of the energy market world wide.
WHO WE ARE. International Presence

- All renewable technologies
- More than 400 Plants
- 24x7x365 Monitoring Center

Sales Volume

Traded Energy

Forecasted Energy

Employees

Equivalent to 1,000,000 households demand
WHO WE ARE. Offices

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Energy Forecasting
Resource Assessment:

- Statistical analysis based on past metering.
- Monthly, yearly averaged values
- Design of power plant
- Focus on profitability of power plant.
  - Annual budget planning
  - PPA negotiation
Grid Forecasting (Short-term forecasting):

- Future estimates of energy production.
- Energy values every 15-min, hour or market timebasis.
- Power plant on operation
- To enhance the management of intermittent energy sources
  - Operation into energy market
  - Maximize benefits
Grid forecasting and resource assessment are different:

• Different methodologies
• Different objectives
• Different applications
• Different time scales
• Different spatial scales
• Different accuracy
Why forecasts are important?
**Renewable Energy Sources**

- Intermittent vs non-intermittent
- Dispatchable vs non-dispatchable

**Integration barriers for renewable energies:**

- Electric systems
  - Frequency: 50 Hz (Europe) – 60 Hz (US)
  - Voltage balance according to operational limits
- Regulation
- Other reasons
  - Economic, territory, etc.

**Specially important in weak grids**
**TSO must balance generation and consumption**

- Stability of grid parameters: frequency, power, etc.
- Unbalance may lead whether to disconnection or to extra generation costs.

**Forecasts are useful for:**

- Scheduling the energy exported by different generation technologies to the grid.
- Maximizing the value of energy produced by intermittent sources (wind, solar, hydro,...)
WHY FORECASTS ARE IMPORTANT?
WHY FORECASTS ARE IMPORTANT?
Renewable Energy Integration in Advanced Markets
Spanish FIT System

GRID OPERATOR AND UTILITIES

Energy Flow

ENERGY FLOW

Deviations Costs

Pool Costs

Primes

National Energy Council

Utilities

DEVIATIONS COSTS

Pool Costs

Distribution Fees

Forecasts

GENERATION SIDE

DEMAND SIDE
Costs = P x D

P = Imbalancing price
D = Deviation

Average cost 15 €/MWh

Imbalancing Penalties are directly proportional to unaccuracy or deviation
## April to September 2012:

<table>
<thead>
<tr>
<th></th>
<th>Nameplate Capacity</th>
<th>Costs w/o Forecasting</th>
<th>Costs Forecasting</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>140 MW</td>
<td>0.86 M€</td>
<td>0.26 M€</td>
<td>0.6 M€</td>
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<tr>
<td>PV</td>
<td>513 MW</td>
<td>4.05 M€</td>
<td>0.48 M€</td>
<td>3.57 M€</td>
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<tr>
<td>Hydro</td>
<td>125 MW</td>
<td>0.6 M€</td>
<td>0.05 M€</td>
<td>0.55 M€</td>
</tr>
<tr>
<td>TOTAL</td>
<td>778 MW</td>
<td>5.51 M€</td>
<td>0.79 M€</td>
<td>4.72 M€</td>
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</tbody>
</table>
BUSINESS CASE. Spanish RE production.

<table>
<thead>
<tr>
<th>Nameplate Capacity</th>
<th>Costs w/o Forecasting</th>
<th>Costs Forecasting</th>
<th>Savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>21,091 MW</td>
<td>295 M€</td>
<td>118 M€</td>
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<tr>
<td>PV</td>
<td>4,047 MW</td>
<td>40.79 M€</td>
<td>4.8 M€</td>
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<tr>
<td>Hydro</td>
<td>2,041 MW</td>
<td>17.14 M€</td>
<td>1.54 M€</td>
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<tr>
<td>TOTAL</td>
<td>27,179 MW</td>
<td>352.93 M€</td>
<td>124.34 M€</td>
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</table>
General FIT System (market option)

Grid Operator and Utilities

Energy Flow

Forecast

Generation Side

- Deviations Costs
- Pool Costs
- Green Certs

Market Operator

- Deviations Costs
- Pool Costs

Distribution Fees

Demand Side

Energy Flow
Europe FIT System (feed-in tariff option)

GRID OPERATOR AND UTILITIES

Energy Flow

Forecasts

DEMAND SIDE

Tariff

Deviations Costs

Distribution Fees

Tariff Costs

MARKET OPERATOR

GRID OPERATOR

Utilities

GENERATION SIDE

Energy Flow
<table>
<thead>
<tr>
<th>Country</th>
<th>Wind Inst (MW)</th>
<th>PV Inst (MW)</th>
<th>Balancing Costs</th>
<th>Green Certs</th>
<th>Feed in tariff</th>
<th>Forecasts</th>
</tr>
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<tbody>
<tr>
<td>Germany</td>
<td>29,075</td>
<td>26,000</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>Italy</td>
<td>6,747</td>
<td>13,400</td>
<td>Y (2013)</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Romania</td>
<td>1,200</td>
<td>262</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
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<tr>
<td>Poland</td>
<td>1,611</td>
<td>3,5</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>612</td>
<td>133</td>
<td>N</td>
<td>N</td>
<td>Y</td>
<td>Y</td>
</tr>
<tr>
<td>US</td>
<td>49,802</td>
<td>3,819.14</td>
<td>Y</td>
<td>Y</td>
<td>N</td>
<td>Y</td>
</tr>
</tbody>
</table>

Either at GO side or Generation side, forecasts are always needed!!
Forecasting Systems
State of the Art
“Prediction is very difficult, specially if it is about the future”

(Niels Bohr, Nobel laureate in Physics)
**Forecasting Horizon Time Scales:**

- **Nowcasting**
  - Seconds to minutes ahead
  - Grid security

- **Short-term Prediction**
  - Up to 96-120 hours ahead
  - Scheduling or electricity market operations

- **Medium-Large Prediction**
  - Several days ahead up to 2 weeks
  - Schedule maintenance stops.

**Forecasting Spatial Coverage:**

- Worldwide
FORECASTING SYSTEMS. State of the art

NWP -> Master Data -> Energy estimator -> Forecasted Energy

NWP

Master Data

Energy estimator

Metering

Forecasted Energy
Main power plant characteristics are usually required

• Geographical localization
  • Latitude, Longitude
  • UTM coordinates

• Power plant characteristics
  • wind, solar, hydro,…
  • number of windmills, solar pannels
  • nameplate power
  • specific technical configuration

• Digital Terrain Model

• Other issues or special characteristics
Numerical Weather Prediction Models (NWP)
Mathematical models of the atmosphere and oceans used to predict the weather based on measured initial conditions.

Global Models
• Earth globe atmosphere state.
• 0,5º latitude spatial resolution
• 3 hours time resolution (one value every 3 forecasted hours)

Regional Models
• Downscaling from global model
• Maximum resolution of 1-2 Km
• Minutes time resolution

Microscale Models
• Downscaling
• Some meters spatial resolution
• Seconds time resolution
**Numerical Weather Prediction Models (NWP)**
Solve a complex system of partial derivative equations that describe the physical laws that determine the state of the atmosphere across space and time.

**Initialization (Analysis)**
- Measures of main atmospheric parameters by satellites, weather stations,..

**Computations Involved**
- Discretized Navier-Stokes Equations, Fluid mechanics,...
- Numerical methods to solve these equations on a grid
- Supercomputing infrastructure is required to solve these problems.

**Physical Parametrization**
- Atmospheric phenomena are modeled through parameterizations.
- Atmospheric modellers (forecasters) provide different values for these parameters that better suit for atmospheric states.
**Metering strategies**

- No-metering option
- Off-line metering (periodic updates)
- On-line metering (daily updates)
- Real Time metering

**Main measures of interest**

- Weather variables: wind, pressure, radiation, temperature, humidity
- Output Power
Output energy estimation

• Many approaches have been developed in the literature
• Different target objectives lead to different strategies
• Data availability is an important design criterion

Approaches

• Theoretical (physical) approaches
• Statistical approaches
• Combined
**Theoretical (Physical) Approaches**

Output energy is obtained as an analytical function of a set of input parameters.

**Solar power plants**
- Equations to compute in-plane module radiation.
- Model to compute DC power and output energy.

**Wind power plants**
- Turbine power curve to estimate output power.
- Wind farm energy is the sum of every turbine minus wake effects, theoretically modelled.

**Advantages**
- No historical data needed to predict
- Easy to implement

**Disadvantages**
- Very sensitive to parameter misconfiguration.
Statistical Approaches

Output energy is obtained through an statistical analysis of historical data.

- Power plant power curve is statistically modeled
- Different technologies might be applied:
  - ANN, regression methods, curve fitting, AI, etc.
  - Ensembles
- Output energy is suited to minimize an objective
  - Portfolio vs single power plant deviation
  - MAE, RMSE, etc.

Advantages
- More robust architectures
- Continuously adapted to data
- More accurate

Disadvantages
- More difficult to implement
- Depend on data availability
- High performance computation resources needed
Combined Approaches
Output energy is obtained through a combination of theoretical calculations and statistical analysis.

- Statistical Approaches work together with theoretical models.

Advantages
- Combines advantages of previous methods

Disadvantages
- More difficult to implement
- High performance computation resources needed
Error sources

Main error comes from NWP models

Level errors

Phase errors

Uncertainty estimation
FORECASTING SYSTEMS. State of the art

Conclusions
• Forecasting helps TSO to manage grid operation

• Advanced energy markets integrate forecasts to maximize the benefits of RE sources.

• NWP models require high computing performance

• Forecasting systems have improved their performance in the last years.

• Forecast services can be offered worldwide!
Thank You!