# AGENT-BASED MICRO-STORAGE MANAGEMENT FOR THE SMART GRID

POWER AGENT:

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Vytelingum, P., T. D. Voice, S. D. Ramchurn, A. Rogers, and N. R. Jennings (2010). Agent-Based Micro-Storage Management for the Smart Grid, Proceedings of the International Joint Conference of Autonomous Agents and Multiagent Systems (AAMAS'2010), pp. 39-46.

# Outline

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## Introduction

#### Need for Smart grid :

- Increasing demand
- High aggregate losses
- Ageing assets
- Environmental concerns
- Demanding customers
- Higher efficiency

#### Smart grid drivers:

- Communication and IT infrastructure
- Renewable generation
- Energy storage system
- Efficient building systems



Source: http://smartgrid.epri.com

### Introduction

#### Energy storage devices:

- □ Save electricity
- □ Save money
- □ Improve reliability
- Reduce carbon emission
- □ Alleviate the peak demand

General strategy: charge at low prices de-charge at high prices

#### Introduction

#### System's goal:

To alleviate the overall peak of the homes' electricity demand

□ Home's goal:

To minimize the cost developing an optimal storage strategy given:

- The normal electricity usage profiles
- Electricity market price



### **Model Description**

- □ The paper models the smart homes as follows:
  - Each "house" is an agent
  - Each agent purchases electricity from suppliers in the electricity market
  - Time is discrete, in half-hour increments
  - Home agents making autonomous decisions on:
    - Charging their batteries
    - Using their stored electricity
    - Buying electricity from the grid

### **Model Description**

Game theoretic framework to reach to Nash equilibrium

#### Social welfare metrics:

- Diversity Factor: ratio of sum of maximum individual consumer demands to maximum total system demand
- Load Factor: average power divided by peak power (low Load Factor suggests peaks)
- The Grid Carbon Content intensity: The carbon produced to generate the required electricity

# Game-Theoretic Analysis

### **Game-Theoretic Analysis**

- □ Game is played over a 24-hour period
- Agent's Cost = The total cost of purchasing electricity during the game
- □ Assumptions:
  - Agents are rational
  - Agents have complete information about the market

# Game-Theoretic Analysis

#### □ Minimize:

$$\sum_{i \in I} p_i (b_i^{a+} - b_i^{a-} + l_i^a) + c^a e^a$$

- $\square$  Where for agent *a* and interval *i*:
  - I is the duration of the study
  - $\square P_i \text{ is market price function}$
  - $\square$   $b_i^{a+}$  is the battery charging profile
  - $\square$   $b_i^{a-}$  is the battery de-charging profile
  - $\square$   $l_i^a$  is the load demand
  - $\square$   $C^a$  is the operation cost of per unit battery
  - $\square e^a$  is the battery

- Constraints:
  - Storage efficiency
  - Charging / discharging limits
  - No reselling allowed



# Storage Strategy

Learn to adapt the storage:

$$e^{a}(t+1) = e^{a}(t) + \beta(e_{U}^{a^{*}} - e^{a}(t))$$

#### $\Box \quad \text{Where on each day} t:$

- $\square$   $e^{a}(t)$  is the storage capacity of the agent
- $\square$   $\beta$  is the learning rate of the storage capacity
- $\square e_U^{a^*}$  is the desired capacity to minimize the agent's cost
- Adapts to the continuously changing market prices
- Gradually adapts the storage profile of the agent
- Slow enough storage adaption leads to Nash equilibrium



#### Case study results

Analysis within UK market environment



#### Case study results



Figure 6: Average Storage Profile converging to Nash Equilibrium.

#### Case study results



Figure 7: Changing Market Prices (market prices eventually flatten).



#### Conclusion



### Conclusion

□ The proposed strategy resulted in:

- Carbon content was reduced by up to 7% by using storage system
- A maximum savings of up to 13% as compared to a no-storage system
- Flattened aggregated Peak load
- Nash equilibrium through storage adaption
- Maximum social welfare with 38% of the population adopting storage



Some characteristics of this paper's problem

- Day-ahead decisions (based on the electricity market price)
- Not dynamic (changes are sequential and not fast)
- Discrete (charge/de-charge/buy electricity)
- Non episodic (battery adaption)
- Deterministic market/Uncertain battery types
- Incomplete information (home loads and battery types)

#### Drawbacks

#### Not realistic

- Myopic agents
- averaged electricity market price
- No communication between agents
- The autonomy of the home agents was ignored.
- The generation capability of the homes was not included.
- Electricity trade between neighbours was not considered.
- Sell-to-grid possibility for the homes was not modelled.
- There was no flexibility in the home's demand based on the electricity price.
- Battery adaption is not a true learning gained by the agent. It is like a social rule restricting the agents autonomy.

- While autonomy of the individual home agent is important, establishing some rules, like the gradual storage adaption in this paper, is sometimes suitable to obtain a desired emergent behaviour.
- In this problem limiting the autonomy of the agents may not affect the scalability of the solution but it degrades the addictiveness of it.

#### Improvement made in our project:

- Rational homes decide to maximize their benefits based on:
  - Utility of trade with the grid (agents can sell to the grid)
  - Utility of trade with the neighbour (being social)
  - Utility of the home's load priority ( autonomy for the agents)

Grid

Home 1

Home N

Batte

Base Load

Shift-able Load

- Utility of storing electricity (being proactive)
- Two different types of load
- Generation capability
- Objectives:
  - To maximize the social welfare of the system \_\_\_\_
  - Determine the effects of different loads and the electricity price

