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Facilitating variable generation of renewables by conventional power plant cycling Costs and benefits

Kenneth Van den Bergh and Erik Delarue University of Leuven (KU Leuven)

ENERDAY, Dresden



Introduction

The framework



Need for flexibility

- ✓ Power plant cycling
- ✓ Renewables curtailment
- ✓ Storage
- ✓ Transmission
- ✓ Demand response

What is the operational cost in a power system with variable renewables?



Methodology

System description - Germany 2013



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Methodology

Model description - unit commitment model

- Pure operational (quarter-hourly time step)
- Deterministic approach
- Minimization of operational system cost
 - o s.t market clearing
 - o s.t. technical constraints (power plants, electricity grid)
- Formulated as mixed-integer linear program

Results

The operational system cost

Production costs





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Results

The operational system cost

Production costs

Cycling costs (all costs ex-post)



High dynamic portfolio

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10

Results

The operational system cost

Production costs

Cycling costs (all costs in optimization)



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From a system perspective, renewables decrease operational generation costs.

Analyzing the costs and benefits of renewables, it is important to be clear on

- system perspective versus utility perspective;
- o operational perspective versus investments perspective.

Appendix





Based on data for Germany 2013

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Need for flexibility

Intermittent renewables



Source: DIW Berlin (2013)