#### DOCKETED

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# ACHIEVING A MORE FLEXIBLE POWER SYSTEM

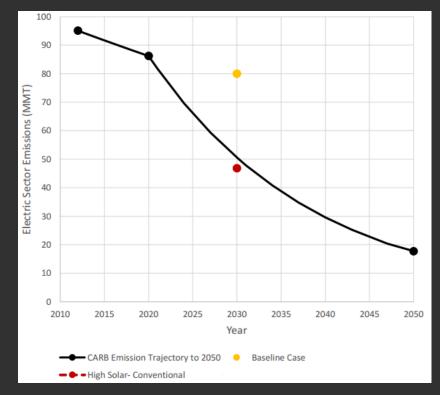
### HAL HARVEY



# **RETI 2.0 IN CONTEXT**

#### 40% GHG reduction by 2030...

On the path to **80%** GHG reduction by **2050** 



Source: Low-Carbon Grid Study: Phase II Results, 2016

### WHY A FLEXIBLE GRID?

Helps achieve 2050 *emissions* goal (beyond 50% renewables)

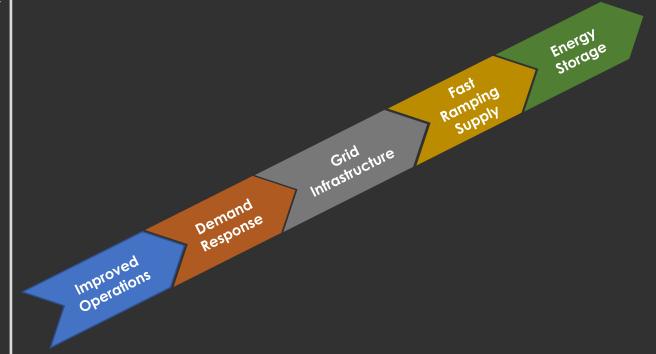
Addresses two kinds of variability created by renewables:

- Known variability daily or seasonal trends are often predictable
- Unknown variability (short-term) relatively small, even under high shares of wind and solar

# A SUITE OF FLEXIBILITY OPTIONS

Flexibility Resource Supply Curve

High Cost



Low Cost

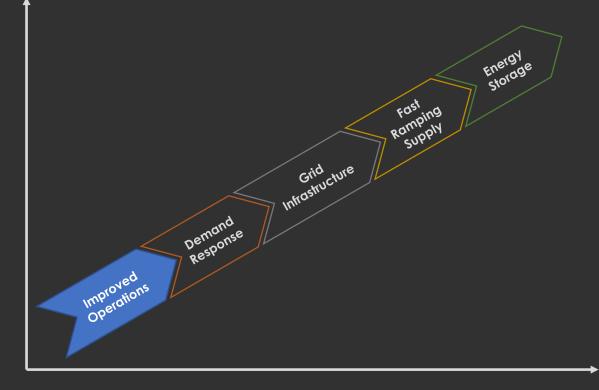
Increasing Need for Grid Flexibility

Graphic adapted from: Paul Denholm et al., "The Role of Energy Storage with Renewable Electricity Generation" (NREL, January 2010).

## **IMPROVED OPERATIONS**

#### Expand the EIM

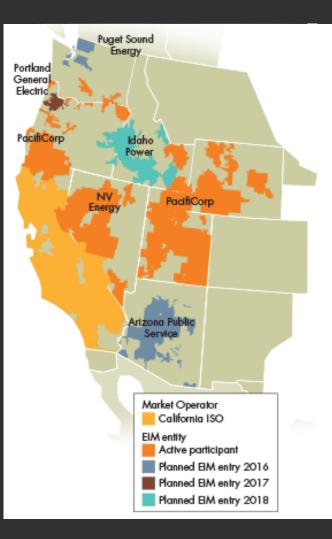
Flexible Imports



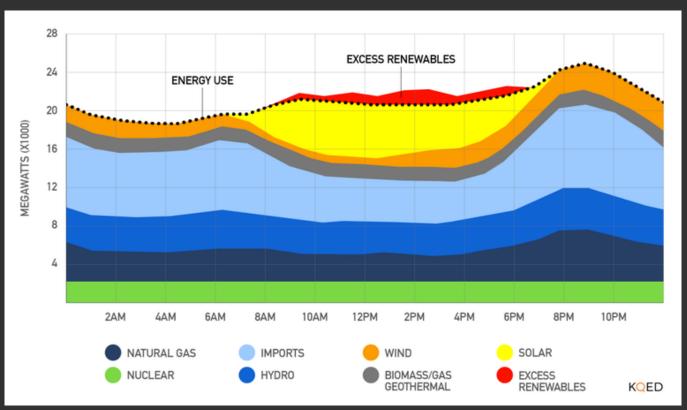
#### **IMPROVED OPERATIONS** EXPAND THE EIM

#### Additional regions

#### Additional products



#### **IMPROVED OPERATIONS** FLEXIBLE IMPORTS

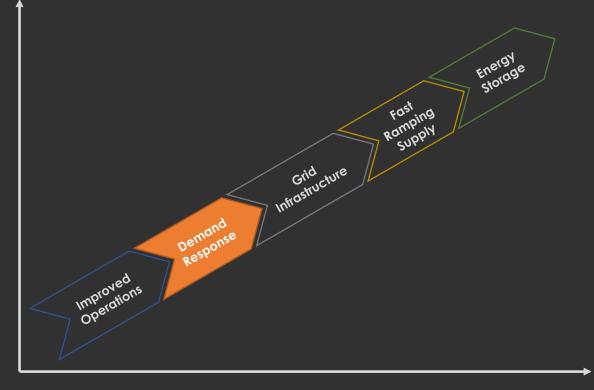


## **DEMAND RESPONSE**

#### TWO KINDS OF DEMAND RESPONSE

Dispatchable

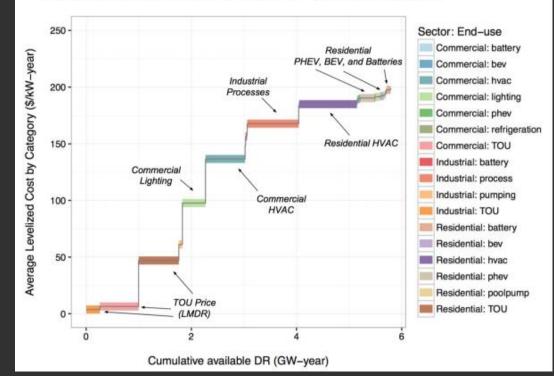
Price-responsive



## **DEMAND RESPONSE**

### GWs of latent DR opportunities across the economy

2025 Technology Category Contributions @ \$200 Price Referent Includes: All DR Tech | Med. DR Scen., 1-in-2 Weather | CEC Medium Growth Building Stock



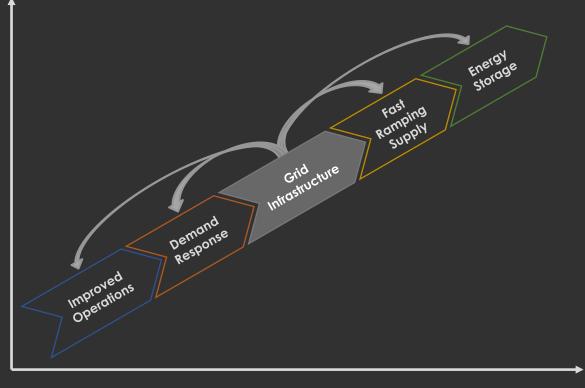
# GRID INFRASTRUCTURE

#### TRANSMISSION

**Regional optimization** 

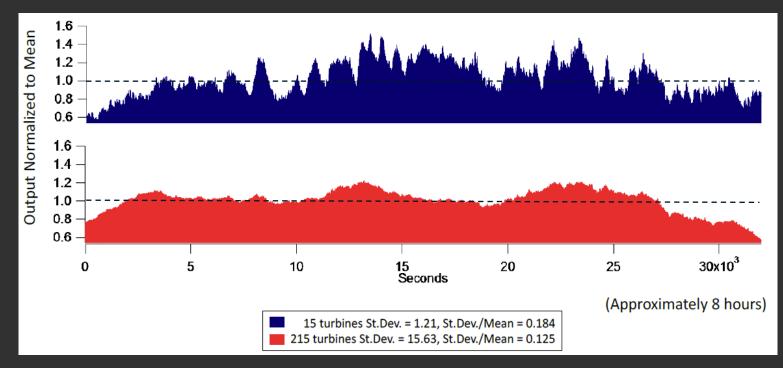
Geographic diversity

Technological diversity



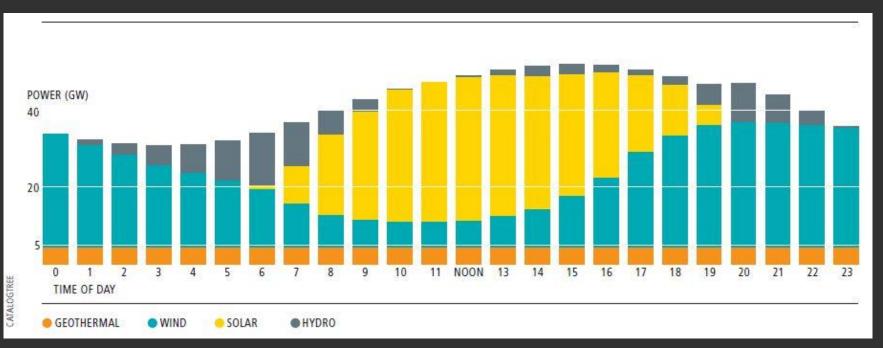
#### **GRID INFRASTRUCTURE** REGIONAL OPTIMIZATION

Managing **unpredictable** variations



#### **GRID INFRASTRUCTURE** GEOGRAPHIC DIVERSITY

Managing **predictable** variations



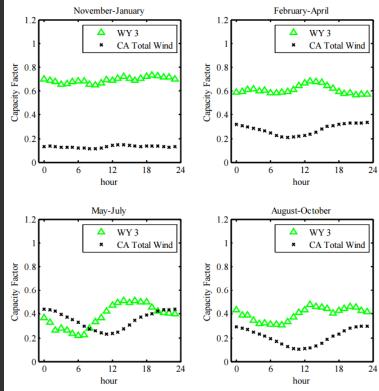
M. Jacobson, M. Delucchi. "A Path to Sustainable Energy by 2030." Scientific American. 2009

#### GRID INFRASTRUCTURE GEOGRAPHIC DIVERSITY

# Example: complementary wind resources in the region

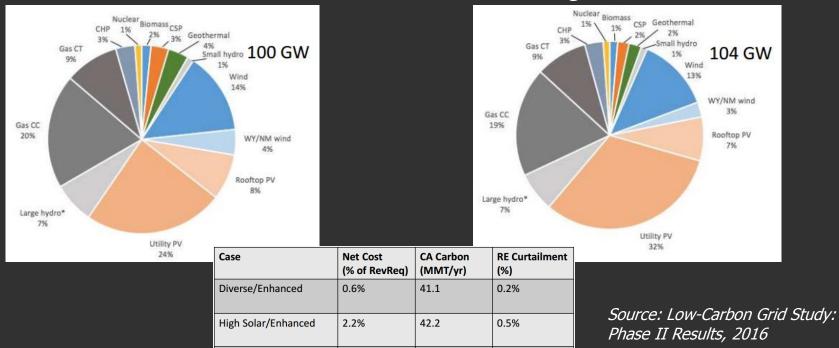
Source: J. Naughton, *Wind Diversity Enhancement of Wyoming, California Wind Energy Projects: Phase 2*, Univ. of Wyoming, Wind Energy Research Center, July 2015

#### WY & CA Wind



#### GRID INFRASTRUCTURE TECHNOLOGICAL DIVERSITY

#### Diverse Resource Mix



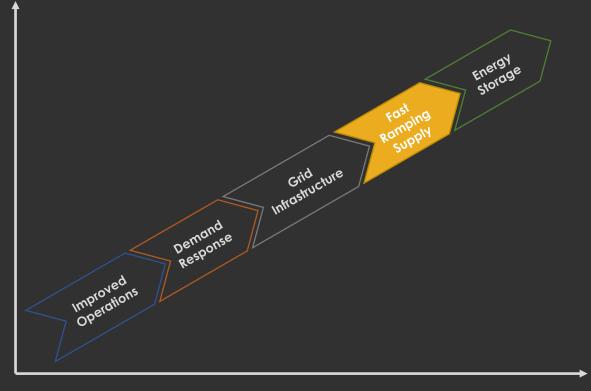
**High Solar Case** 

# FAST RAMPING SUPPLY

#### IMPROVE FOSSIL FLEXIBILITY

Only use existing capacity

Use only for power, not energy

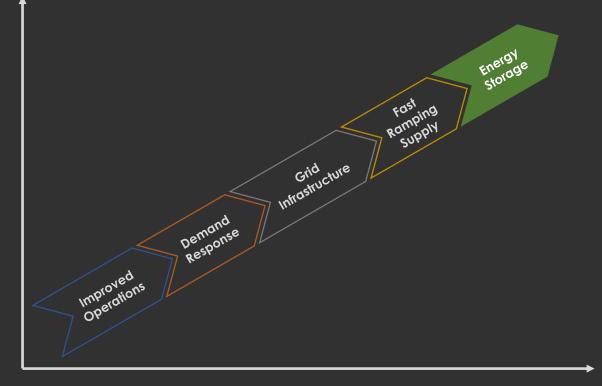


## FAST RAMPING SUPPLY

New natural gas WILL NOT put us on track to meeting 2050 GHG goals

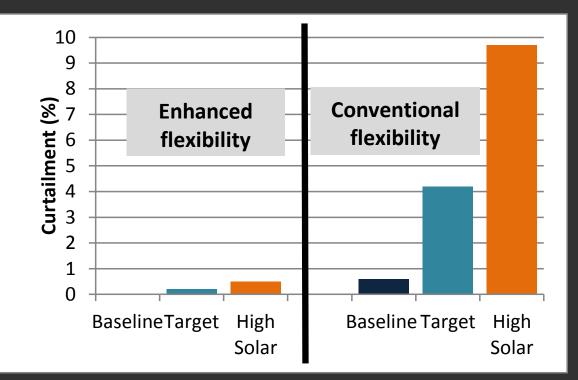
## **ENERGY STORAGE**

1.3 GW storage mandate drives deployment up, costs down



#### CURTAILMENT THE MOST EXPENSIVE OPTION

Flexibility is key to reducing curtailment



Source: G. Brinkman, California Low-Carbon Grid Study, Presentation to RETI 2.0 Stakeholder Meeting, April 18, 2016.

# CURTAILMENT ...OR LONG-TERM ELASTICITY?



#### Time of use rates



#### Desalinization



Data Processing

#### Battery Electric Vehicles





Air Gases

#### Excess energy can be a competitive advantage for California

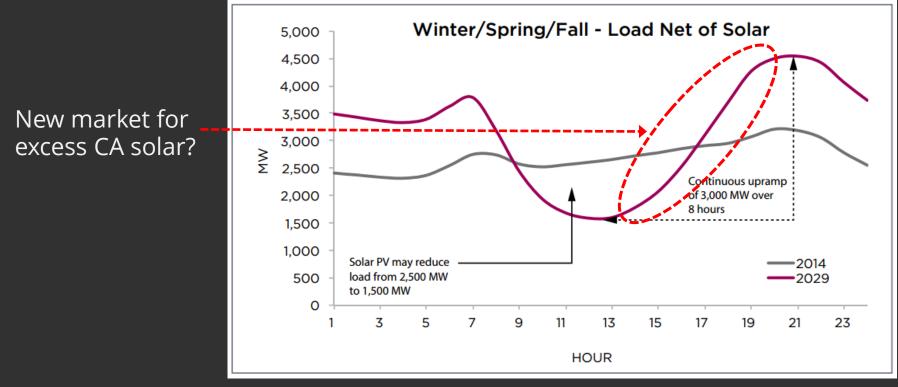
# PUTTING IT ALL TOGETHER

These resources provide a vast suite of options, yielding power that is:



RETI 2.0 scope should be **REGIONAL** to capture the full range of cost-effective flexibility options

#### **OPPORTUNITY #1** EXPORTING SOLAR EASTWARD



Source: Arizona Public Service 2014 IRP

#### **OPPORTUNITY #2** TAKE ADVANTAGE OF COAL RETIREMENTS

Add clean resources where transmission lines already exist



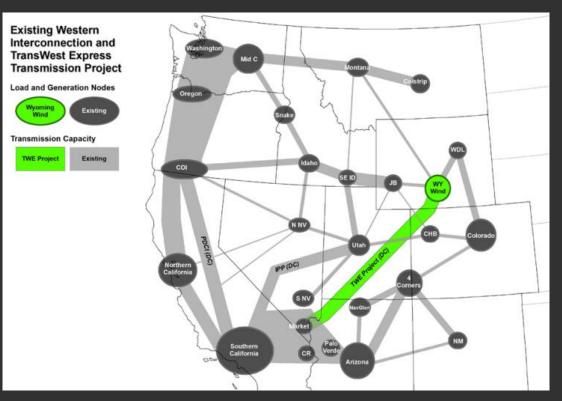


Coal Plant Retirement

Incremental wind resource

Incremental solar resource

#### **OPPORTUNITY #3** CONNECT NEGATIVELY CORRELATED RESOURCES



Source: D. Corbus et al., California-Wyoming Grid Integration Study: Phase 1—Economic Analysis, NREL, March 2014.

#### **OPPORTUNITY #4** INCREASE INTEGRATION... INCREASE RESILIENCE

#### Southwest Intertie Project (SWIP)

Completes transmission loop

Reduces region-wide congestion

- Southwest solar  $\rightarrow$  Northwest
- Wyoming/Montana wind → Southwest



(solid red lines are illustrative)

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# THANK YOU



