Journey of a Renewable MegaWatt – from an Interconnection Request to Real-time Market Dispatch

1st International Conference on Large-Scale Grid Integration of Renewable Energy in India

Durgesh Manjure, MISO Energy
September 7, 2017
MISO manages one of the world’s largest energy markets

- **Scope of Market Operations**
  - US $25.3 billion gross market charges
  - 437 market participants, 42 million customers
  - 5-minute security constrained economic dispatch
- **Generation Capacity**: 191,062 MW
- **Historic Peak Load**: 130,917 MW
- **Wind generation capacity**: 16,326 MW
- **Instantaneous Wind Peak**: 13,731 MW
- **65,800 miles of transmission**
- **Footprint**: 15 US States, 1 Canadian Province
Rich resource and favorable policies have spurred renewable generation in MISO

- Most states in the MISO footprint have mandates or goals for renewable energy
- Estimates for wind generation requirements are around 23 – 25 GW
- Solar generation development is just starting out
Renewable integration spans various aspects of both the Planning and Operations processes

**System Planning**

- **Generation Interconnection request**
  - Customer/developer initiated
  - Governed by federally approved tariff-based process

- **Planning & Engineering studies**
  - Identify necessary upgrades
  - Cost and construction schedule estimates

- **Generation Interconnection agreement**
  - Terms and conditions of the interconnection
  - Stipulations to service
  - Transmission network upgrade cost allocation

**System Operations**

- **Transition to Operations**
  - Operating studies and guides
  - Asset registration

- **Commercial operation in the market**
  - Wind/solar forecasting
  - Market products

**Key milestones**
MISO’s first-ready, first-served GI process evolution was largely driven by requests to interconnect wind generation.
Value-based transmission planning & equitable cost-allocation are key enablers of transmission development for large-scale renewable integration.

MISO’s Planning process considers economic value as well as reliability benefits of transmission.

MISO’s tariff includes various categories of transmission projects to ensure costs are assigned commensurate with benefits.
Rapid development of wind power adversely affected ability to maintain system reliability and economics

- Wind generation increased ~400% between 2007 and 2011, up to 10,000 MW
- High penetration of wind in areas with historically little generation
- Development of wind outpaced the necessary transmission development
- Original market design classified wind as an ‘Intermittent Resource’ that could not be economically dispatched
- Difficult for the SCED to manage congestion with limited dispatchable resources in areas with high wind penetration

Growth of wind generation at MISO (in GW) (actuals through 2016, estimates 2017 and beyond)
The solution was to make wind resources closely mimic traditional generator operation – DIR

- Eligible for the true-up in commitment process
- Same commitment and dispatch obligations
- Ineligible to offer Operating Reserves
- Source of maximum output is different
- Same physical and economic parameters
- Same DA & RT market timelines & outcomes

**Dispatchable Intermittent Resource**

**Ability to “dispatch” wind greatly enhanced congestion management, price transparency, and improved utilization of wind generation in the market**
Wind forecast is a key enabler of the DIR product

MISO wind generation forecast is the weighted average of four independent forecasts – which improves accuracy

Accuracy of both the day-ahead and operating day (4-hour ahead) forecasts has consistently been over 93% and continues to improve.

The effectiveness of “dispatching” wind in the market rests almost entirely on the accuracy of the wind generation forecast.
Pre-DIR, without a RT forecast, system unable to fully leverage benefits of wind generation

- UDS will issue a Dispatch Target equal to observed output at the time of the State Estimator snapshot for that case.

- Intermittent Resources
  - Cannot make real-time economic offers
  - Cannot set price
  - Are subject to RSG costs
  - Are ineligible to receive MWP

DIR: Dispatchable Intermittent Resource
UDS: Unit Dispatch System
SE: State Estimator
RT: Real-time (5 min granularity)
RSG: Revenue Sufficiency Guarantee
MWP: Make Whole Payments
Granular forecast improves reliability and efficiency of wind & overall market dispatch

- Forecast recognizes dispatch down situations
- When dispatched down, the forecast is based on the last actual before the dispatch down
In Summary…

• Robust Transmission Planning and System Operations processes are essential to effectively facilitate the journey of renewable resources from a conceptual project to a viable, commercially operating generating facility.

• Significant penetration of renewable resources has been the primary driver for the evolution of both Planning and Operations processes at MISO.

• Due to queue process enhancements, value-based transmission planning and improved market products, MISO is well-positioned for continued efficient & reliable integration of bulk quantities of renewables.
Contact
Durgésh Manjuré
Sr. Manager, System Operations
MISO
dmanjure@misoenergy.org
+1-651.632.8410