

# DAY-AHEAD ECONOMIC LOAD DISPATCH FOR OIL SHALE POWER PLANTS IN DEREGULATED ELECTRICITY MARKET

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# Outline

- Introduction
- Research objects
- Optimization techniques
- Model formulation
- Results and discussion
- Conclusions

# Importance of the topic

- **electricity market deregulation:**
  - competitive conditions
  - price fluctuations
- **traditional economic load dispatch:**
  - environmental impact
  - technological restrictions
- **complex undertaking:**
  - oil shale production characteristics
  - lack of algorithm and tool

# Objectives of the paper

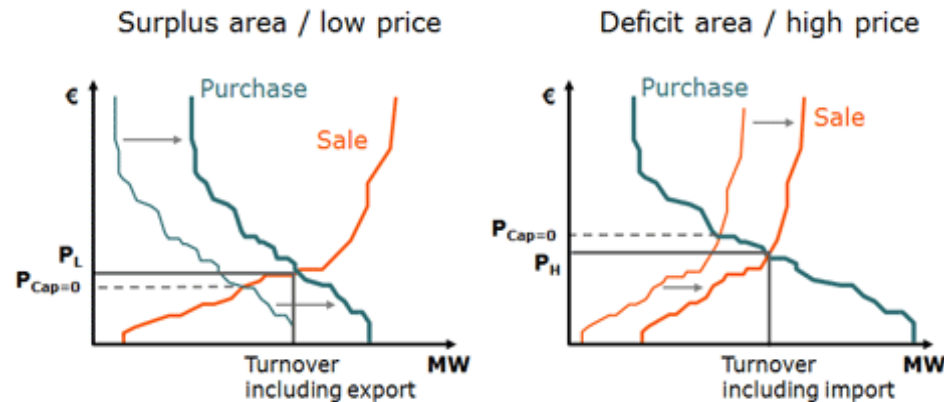
- **elaboration** of day-ahead economic load dispatch algorithm;
- algorithm **implementation** by using different optimization techniques;
- effectiveness **estimation** of used optimization techniques.

# Tasks of the paper

- input-output characteristics determination;
- analysis and evaluation of the existing optimization techniques;
- practical testing of proposed algorithm;
- evaluation and summing up the research results.

# Input-output characteristics

- input and output characteristics from deregulated market;



$P_L$  and  $P_H$  → Prices for each area when full utilization of trading capacity

$P_{Cap=0}$  → Price in area with isolated price calculation.

Figure 1. Market price and market balance principle

Source: NordPoolSpot

- input and output characteristics from power plant units;
- limitations related to technological and environmental requirements;
- optimality conditions of power units operation.

# NordPoolSpot market

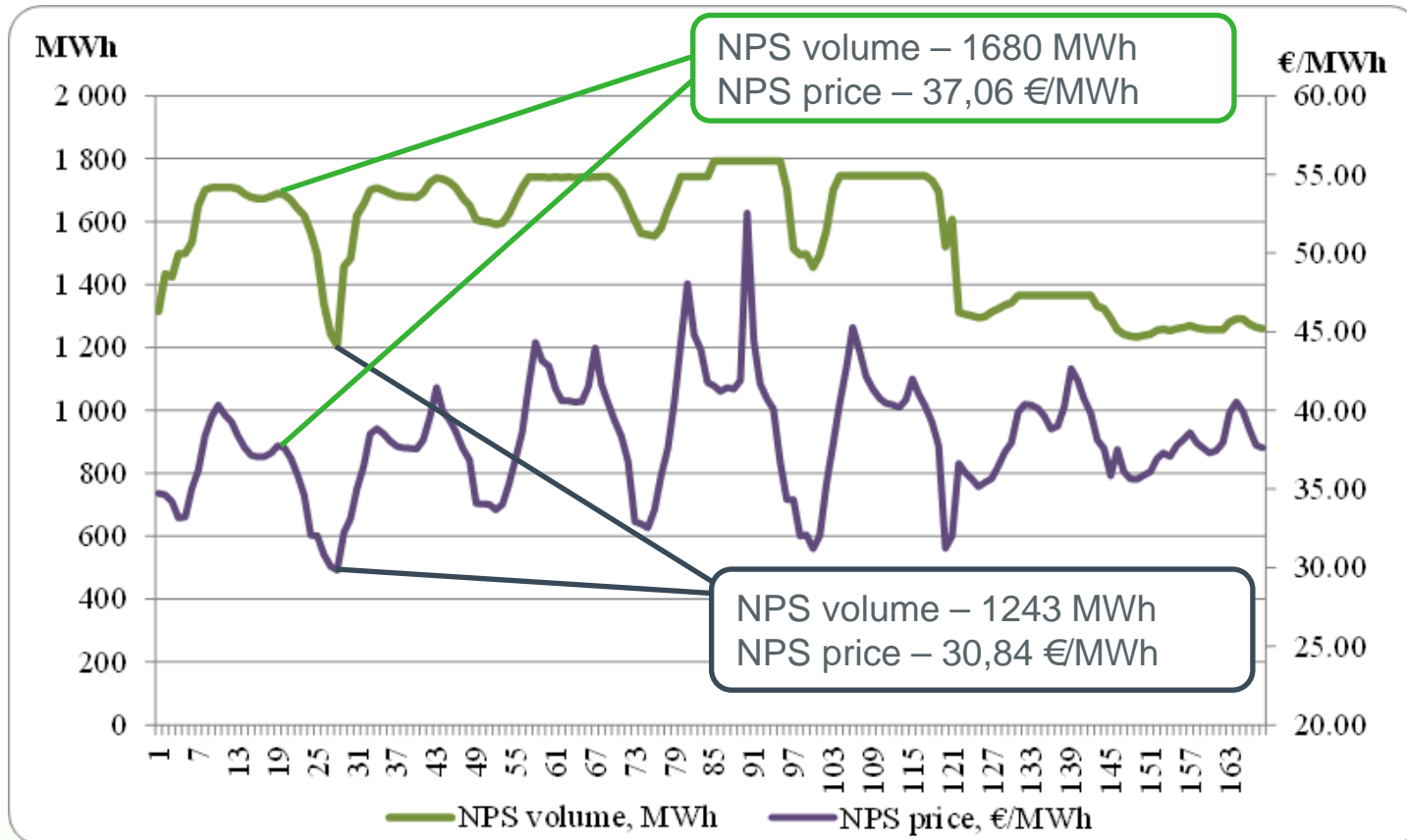


Figure 2. Electrical power price and volume fluctuations of a typical winter week  
Source: NordPoolSpot

# Optimization techniques

- primal simplex - maximization problem;
- dual simplex - minimization problem;



gives an upper and lower bound on the optimum value of the solution

- interior-point method – the improvement over simplex algorithms, reaches an optimal solution by traversing the interior.



# Optimization techniques

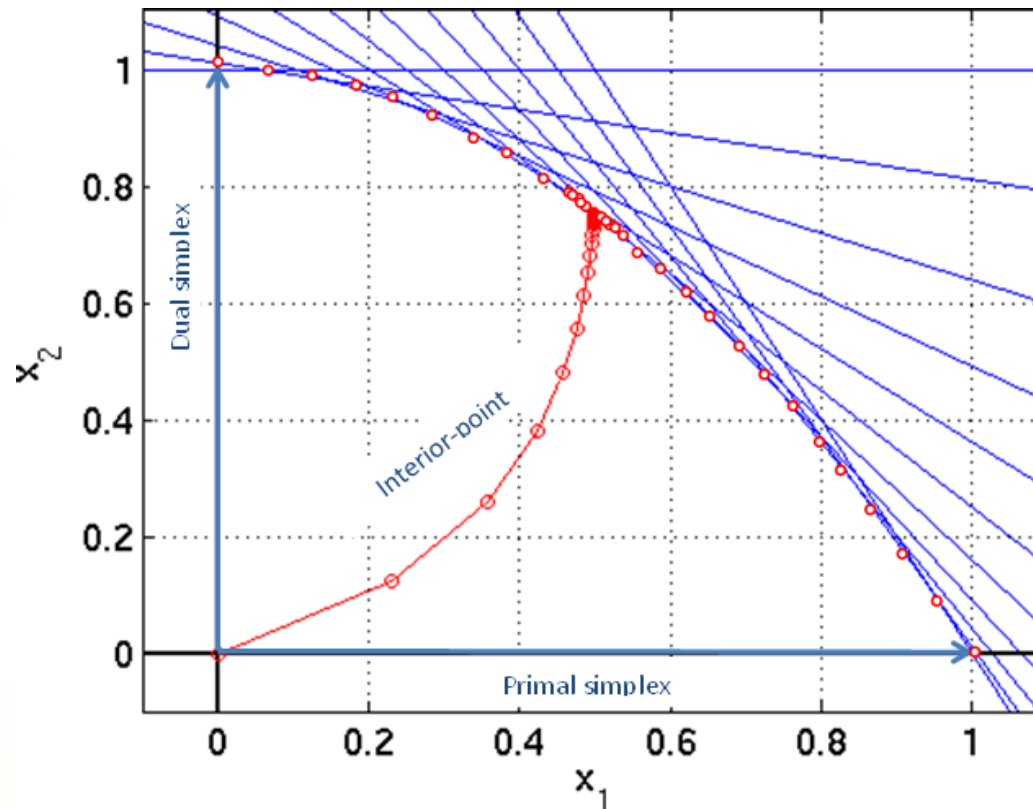


Figure 3. The primal, dual and interior-point method solution  
Source: (Dantzig, Thapa, 2003)

# Model formulation

Objective Function:

Minimize 
$$C_{tot}^{VC}(t) = \sum_{u=1}^m C_u^B(t) + \sum_{u=1}^m C_u^w(t) + \sum_{u=1}^m C_u^{SU}(t)$$

$C_{tot}^{VC}(t)$  - total variable costs,

$C_u^B(t)$  - primary energy costs,

$C_u^w(t)$  - environmental impact costs,

$C_u^{SU}(t)$  - start-up costs,

$u$  - power units,  $u = 1, \dots, m$

$t$  - time interval.

# Model constraints

- NordPoolSpot electricity production volume:  $P_e^{NPS}(t) - \sum_{u=1}^m P_u(t) = 0$
- Electrical power limits to the power units:  $P_u^{min} \leq P_u(t) \leq P_u^{max}$
- Thermal load for cogeneration unit:  $Q^D(t) - \sum_{u=1}^m Q_u(t) = 0$
- Heat power limits to the power units:  $Q_u^{min} \leq Q_u(t) \leq Q_u^{max}$
- Ramp rate requirements:  $P_{u,\tau+1} - P_{u,\tau} \leq R_u$
- Emission limit values:  $W_{u,e}(t) \leq W_{u,e}^{max}$
- Retort gas usage limitation:  $B_{u,RG}(t) \leq B_{u,RG}^{max}$
- Restriction for number of start-ups:  $m_u(t) \leq m_u^{max}$
- Minimum down-time:  $T_{u,t}^{down-time} \geq T_{stay-off}^{min}$
- Minimum up-time:  $T_{u,t} \geq T_{must-run}^{min}$

# Results and discussion (1/5)

Algorithm	Manufacturing variable costs, m €	Manufacturing fixed costs, m €	Generation costs, m €	CPU*, sec
<b>Winter week</b>				
Interior-point	9,93	1,67	11,60	<b>509</b>
Dual simplex	9,96	1,67	11,63	515
Primal simplex	9,99	1,67	11,66	576
<b>Summer week</b>				
Interior-point	6,88	1,67	8,07	<b>528</b>
Dual simplex	6,88	1,67	8,07	529
Primal simplex	6,88	1,67	8,07	544

Table 1. Generation costs and CPU time for winter and summer week

Source: Compiled by the author

\* CPU - central processing unit

# Results and discussion (2/5)

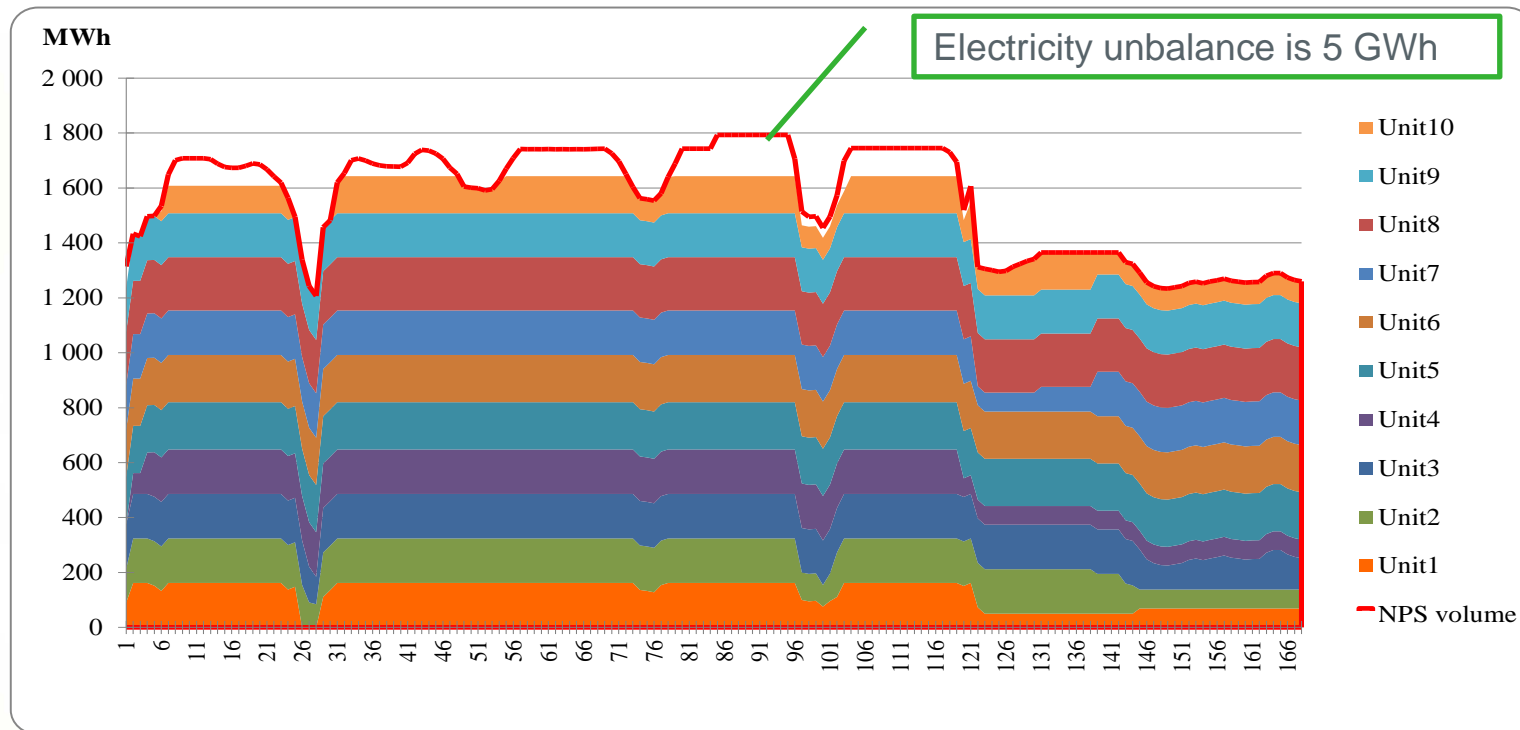


Figure 4. The optimal electrical power output of the power units in the winter week  
Source: Compiled according to the author's calculations

- Total generation costs – 11,6 m €
- CPU time – 509 sec

# Results and discussion (3/5)

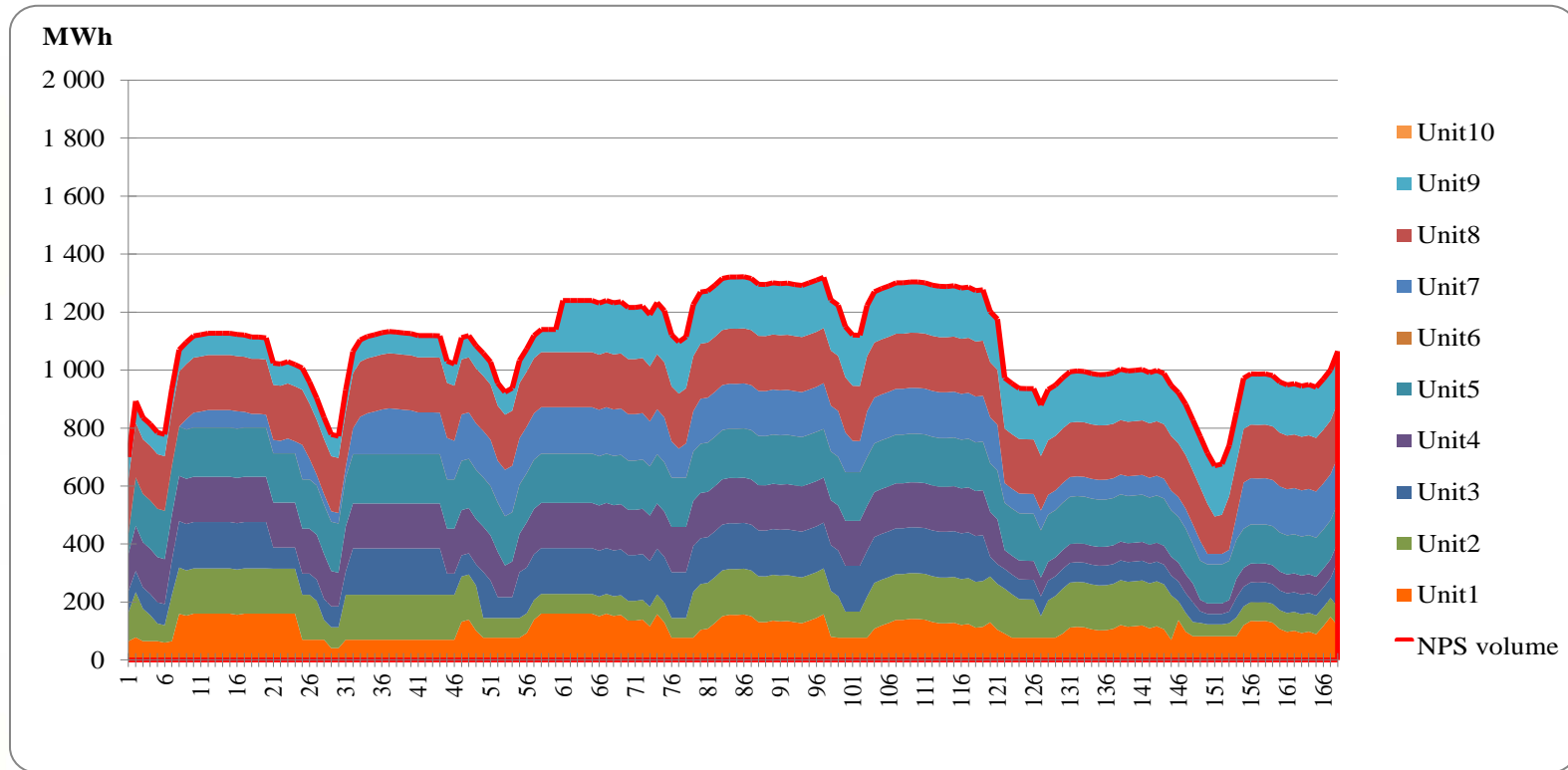


Figure 5. The optimal electrical power output of the power units in the summer week  
Source: Compiled according to the author's calculations

- Total generation costs – 8,1 m €
- CPU time – 528 sec

# Results and discussion (4/5)

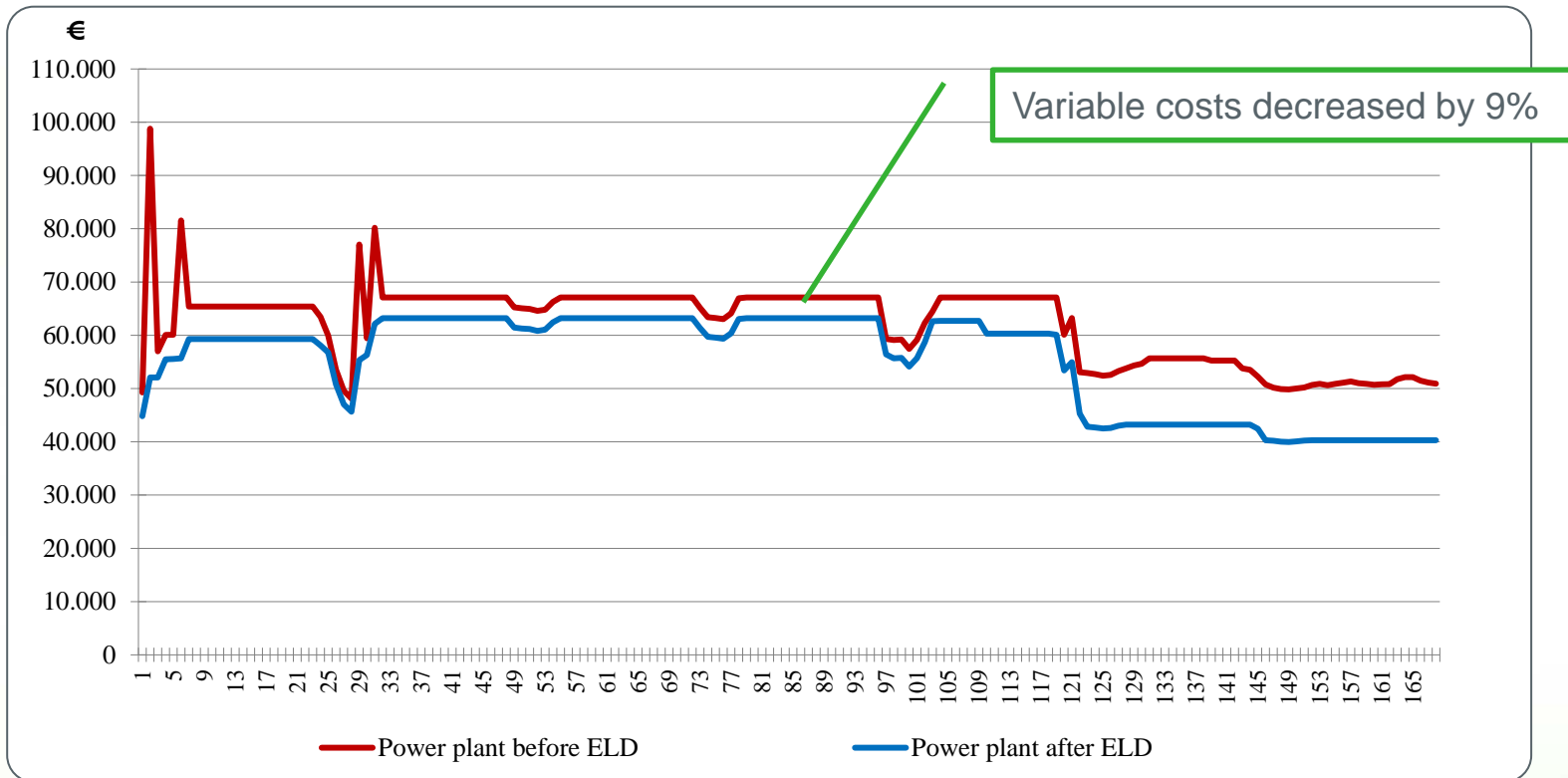


Figure 6. Variable costs of the power plants in the winter week  
Source: Compiled according to the author's calculations

# Results and discussion (5/5)

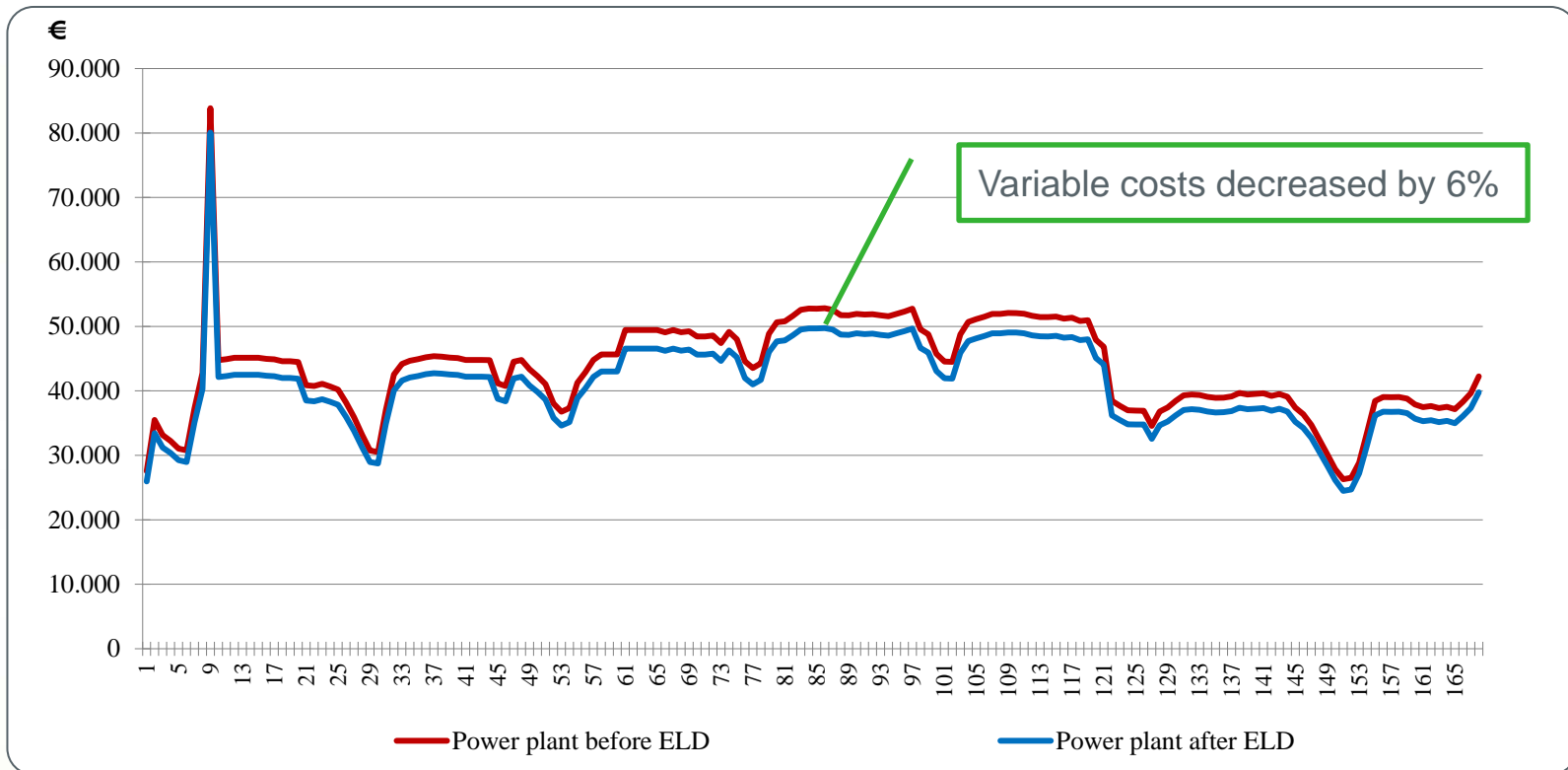


Figure 7. Variable costs of the power plants in the summer week  
Source: Compiled according to the author's calculations



# Conclusions

- 42 tests have been carried out with different properties;
- interior-point algorithm provides the best performance with less CPU time for solving;
- the results using primal, dual and interior-point methods have a marginal difference;
- implementation of algorithm could decrease the variable costs of power plant up to 9%;
- proposed algorithm served as a basis for more accurate economic dispatch model.

# THANK YOU!

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