Grid Enhancing Technologies

Regulatory landscape – from first steps to wish-list



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Working for Advanced Transmission Technologies (WATT)
Coalition
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WAT

www.watt-transmission.org

Working for Advanced Transmission Technologies

Mission: The Working for Advanced Transmission Technologies (WATT) Coalition advocates for policy that supports wide deployment of Grid Enhancing Technologies (GETs) to accelerate the clean energy transition and lower energy costs.

































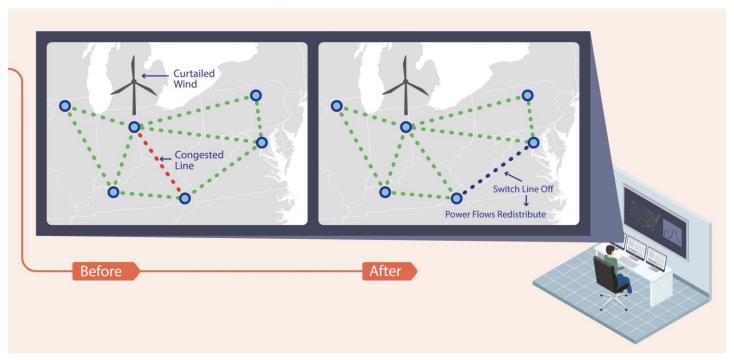
Advanced Power Flow Control



Deployments in the UK by National Grid unlocked capacity for 1.5 GW of new renewable energy saving UK ratepayers over \$500 million

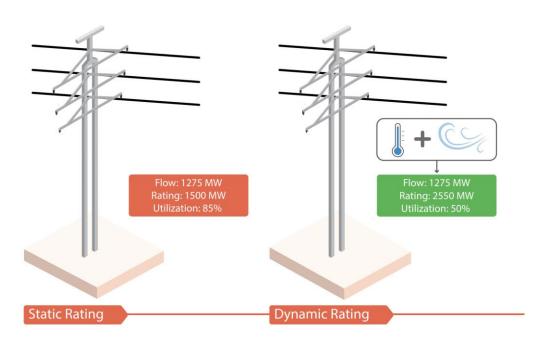


Topology Optimization



Topology optimization reduced curtailment of one wind farm by 77%

Dynamic Line Ratings



Results from 2021 deployment in 3 states:

DLR exceeded static reference ratings by

- 9-33% in winter
- 26-36% in summer

DLR exceeded static ratings over 85% of the time

From <u>A Guide to Case Studies of</u> <u>Grid Enhancing Technologies</u>



Where does cost-ofservice regulation get us? Many pilots, few operational projects



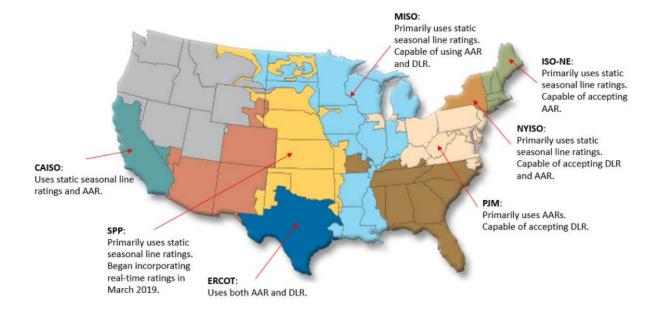
Key obstacles:

- Inertia: building familiarity and and integrating GETs into planning and operation processes
- 2) Incentives: no reward or requirements for efficiency, cost savings, or congestion management



Examples of action by RTO/ISOs

Line Ratings ->



Other

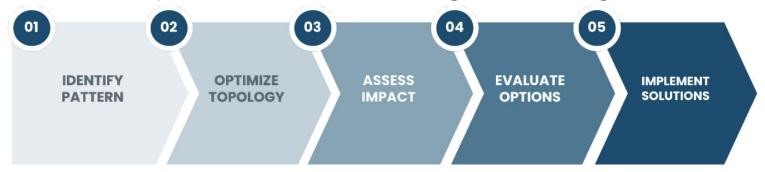
- ERCOT evaluates DLR in economic transmission planning to resolve congestion
- FERC Order 881: All RTOs required to accept DLR by 2025



Examples of action by RTO/ISOs

MISO: Congestion Cost Reconfiguration launched June 30!

- Similar process proposed as SPP Strategic Initiative Roadmap #73
- ERCOT IMM's top recommendation for congestion management



STEP 1: A Market
Participant identifies a
congestion pattern of
interest

STEP 2: The Market Participant identifies reconfiguration solutions, analyzes them and submits requests to MISO and the Transmission Owners/Operators Step 3: MISO and the Transmission Owners/Operators assess reliability and economic impacts; Generation Operators that are directly affected evaluate their risk exposure Step 4: MISO and TO/TOP approves or denies the solution

Step 5: MISO and the Transmission Owners/Operators implement the solution if real-time conditions allow



Federal Policy

- FERC <u>planning</u> and <u>interconnection</u> NOPRs include a requirement to consider GETs
- Promising FERC inquiries into
 - Requirements for utilities to evaluate GETs based on a congestion threshold (\$2 million/year proposed by PJM)
 - Shared savings <u>incentive</u> utilities share in value of GETs
 - Independent transmission monitoring to identify opportunities
- <u>DOE programs</u> support deployments through state agencies and utilities - \$13 billion in GETs-eligible programs



GETs for Interconnection – individual projects

- Reduce interconnection costs
- Shorten study and construction timelines
- Serve as bridge projects
- Fewer project withdrawals due to high costs

- Cost Savings: DLR could have avoided 1-3% line overloads that would otherwise cost a developer \$50-400m
- Cleaner energy, faster: GETs deployments are completed in months





Working for Advanced Transmission Technologies

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FERC Incentives Rulemaking

- "...transmission projects that use network management technologies, such as <u>dynamic line ratings</u>, <u>power flow</u> <u>controls</u>, or <u>transmission topology optimization</u>, can provide significant and demonstrable reliability benefits by giving operators better tools to address unforeseen system conditions."
- "...we are proposing specific incentives to facilitate investment in transmission technologies...
- FERC Docket RM20-10-000, March 20, 2020



Performance Based Ratemaking Delivers in the UK RIIO: Revenue = Incentives + Innovation + Outputs

DLR and APFC projects increased transmission capacity by over 2GW, saving millions every year.

WATT shared savings incentive: utility would be granted a portion of congestion cost savings for GETs deployments

- Requires reapplication every three years
- Competitive process for projects >\$2.5 million

