Influence of Battery Energy Storage Systems on Transmission Grid Operation With a Significant Share of Variable Renewable Energy Sources

Sérgio F. Santos, Matthew Gough, Desta Z. Fitwi, André F. P. Silva, Miadreza Shafie-Khah, Senior Member, IEEE, and João P. S. Catalão, Senior Member, IEEE

Abstract—The generation mix of Portugal now contains a significant amount of variable renewable energy sources (RES) and the amount of RES is expected to grow substantially. This has led to concerns being raised regarding the security of the supply of the Portuguese electric system as well as concerns relating to system inertia. Deploying and efficiently using various flexibility options is proposed as a solution to these concerns. Among these flexibility options proposed is the use of battery energy storage systems (BESSs) as well as relaxing system inertia constraints such as the system nonsynchronous penetration (NSP). This article proposes a stochastic mixed-integer linear programming problem formulation, which examines the effects of deploying BESS in a power system. The model is deployed on a real-world test case and results show that the optimal use of BESS can reduce system costs by as much as 10% relative to a baseline scenario and the costs are reduced further when the NSP constraint is relaxed. The amount of RES curtailment is also reduced with the increased flexibility of the power system through the use of BESS. Thus, the efficiency of the Portuguese transmission system is greatly increased by the use of flexibility measures, primarily the use of BESS.

Index Terms—Battery energy storage systems (BESSs), renewable energy sources (RES), stochastic mixed-integer linear programming (MILP), system inertia, system nonsynchronous penetration (NSP), transmission grid operation.

NOMENCLATURE

A. Sets/Indices

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$e, s / \Omega^b$</td>
<td>Index/set of energy storage.</td>
</tr>
<tr>
<td>$g / \Omega^g$</td>
<td>Index/set of generators.</td>
</tr>
<tr>
<td>$h / \Omega^h$</td>
<td>Index/set of hours.</td>
</tr>
</tbody>
</table>

B. Parameters

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$E_{\text{min}}$</td>
<td>Minimum energy storage capacity.</td>
</tr>
<tr>
<td>$E_{\text{max}}$</td>
<td>Maximum energy storage capacity.</td>
</tr>
<tr>
<td>$\eta_{\text{ch}}$</td>
<td>Charging efficiency.</td>
</tr>
<tr>
<td>$\eta_{\text{dch}}$</td>
<td>Discharging efficiency.</td>
</tr>
<tr>
<td>$\lambda_{e}$</td>
<td>Emission rate.</td>
</tr>
<tr>
<td>$\lambda_{\text{CO}_2}$</td>
<td>CO2 emission factor.</td>
</tr>
<tr>
<td>$\lambda_{\text{es}}$</td>
<td>Charging/discharging binary variables.</td>
</tr>
<tr>
<td>$\rho_{e}$</td>
<td>Charging/discharging limits.</td>
</tr>
</tbody>
</table>

C. Variables

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$E_{\text{es}, i, s, h}$</td>
<td>State of charge of BESS.</td>
</tr>
<tr>
<td>$P_{\text{ch}, i, s, h}$</td>
<td>Charging power.</td>
</tr>
<tr>
<td>$P_{\text{dch}, i, s, h}$</td>
<td>Discharging power.</td>
</tr>
<tr>
<td>$P_{\text{NS}, i, s, h}$</td>
<td>Net power.</td>
</tr>
<tr>
<td>$P_{\text{ch}}$</td>
<td>Charge level of BESS.</td>
</tr>
<tr>
<td>$P_{\text{dch}}$</td>
<td>Discharge level of BESS.</td>
</tr>
</tbody>
</table>

D. Functions

<table>
<thead>
<tr>
<th>Symbol</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>$T_{\text{EC}}$</td>
<td>Expected cost of energy.</td>
</tr>
<tr>
<td>$T_{\text{ENSCE}}$</td>
<td>Expected cost for unserved energy.</td>
</tr>
<tr>
<td>$T_{\text{EmiC}}$</td>
<td>Expected cost of emissions.</td>
</tr>
</tbody>
</table>

I. INTRODUCTION

A. Motivation, Aims, and Background

OPERATING the electricity transmission network is a complex and crucial task in ensuring that consumers have access to a reliable, efficient, and resilient power supply [1]. This task has become even more complicated with the increasing penetration of renewable energy sources (RESs) [2]. The most
notable sources are solar PV and wind generation [3]. These two generating sources are variable and, thus, introduce additional complexities into transmission grid operations [4]–[6].

Battery energy storage systems (BESSs) can assist in balancing both demand and supply of electricity [7], [8] as well as providing other services to the transmission system operator [9]. Optimally deploying BESS can thus increase the flexibility of power systems [10]. This can lead to higher penetrations of RES in the system [11], [12]. This has led to numerous plans for either 100% RES power systems and, more recently, to an increasing number of plans for full decarbonization of a national economy [13].

This is especially true in the European Union where there is the European Green Deal [14]. This overarching framework requires that the members of the EU transpose this plan to a national level. Portugal has done this through the introduction of a National Climate and Energy Plan, which calls for an economy with net-zero emissions by 2050 [15], [16]. This plan calls for significant increases in RES while reducing the amount of generation derived from combusting fossil fuels [14]. Energy storage systems can play an important enabling role for RES within power systems [17].

The growth of RES envisioned in this plan and the subsequent reduction in traditional thermal generators can create issues related to maintaining adequate rotational inertia in the system [18], [19]. Operating power systems with reduced rotational system inertia are thought to be one of the biggest challenges confronting system operators [18]. Meeting this challenge is a large motivating factor behind this current article.

In addition to being used to decrease the impact of the intermittency associated with RES [20], [21], BESS can also deliver a wide range of services to the network depending on the market structure [22]. The impact of BESS will depend heavily on various characteristics, such as storage capacity, discharge rate, efficiency cycle, lifetime, energy and power density, and cost [8], [23].

The cost of BESS has been falling rapidly and this is allowing wider adoption of these systems [24]. This helps to reduce costs further due to economies of scale and, thus, form a virtuous cycle of increasing deployment and lowering costs [22]. Despite these significant cost reductions, the capital costs of developing BESS projects are significant, and thus, the location and size of BESS should be carefully considered [25].

Within the studies examining the effects of RES on transmission grid operations, stochastic optimization is an efficient and effective tool for problems that involve uncertainty and random variables [26]. Various existing studies have examined the impact of BESS on the stability and flexibility of electric networks.

One of the major concerns of using BESS is the optimal placement and sizing of these systems within the electrical network [22]. Careful site selection of the BESS will increase the reliability and safety of the system as well as minimizing the need for grid investments to maintain and upgrade the network [20], [23], [27].

This optimal site selection will not remove the need for grid enhancements as the BESS may not be able to provide all of the required flexibility and reliability [28]. Thus, a thorough comparison of the use of BESS against the traditional grid investments should be made [29], [30].

In this context, this article presents a new model to investigate the impact of BESS on the operations of transmission systems using a real-world test to provide important results that can be used by system operators, energy regulators, or BESS developers in Portugal. The results of this article can be the basis of policy to increase the penetration of RES within the Portuguese system.

The model incorporates methods to manage uncertainty and operational variability introduced by RES (such as wind and solar) as well as demand. The problem formulated as a mixed-integer linear programming (MILP) model with the specific aims to improve system flexibility, increase RES penetration, reduce losses, and enhance system stability and reliability.

One of the salient features of the new approach presented in our article is the inclusion of the system nonsynchronous penetration (SNSP) restriction so that the system demand is met, which ensures that the system operates within the required frequency and inertia constraints.

B. Literature Review

The impacts of BESS on the operations of transmission grids with high penetrations of RES have been studied by various authors in the past. Several relevant papers have been collected and summarized in Table I.

A paper investigating the effects of BESS in power systems is given in [5], where an MILP model is constructed to examine the effects of widespread integration of RES on the operations of a distribution network. The paper used demand response, energy storage systems, and demand-side resources (including BESS) to increase the flexibility and ability of a distribution network to handle a large amount of RES. The authors focused on the impacts in a distribution network, while this article focuses on the effects on the transmission network.

Yan et al. [31] present a comparison between deterministic and robust optimization models to examine the operation of energy storage systems. The objective of the article was to minimize system congestion and the uncertainties associated with the demand, the state of charge (SoC) of the energy storage systems, and renewable energy generation were considered in the robust optimization model. Results from the model show that the energy storage system can increase system flexibility which allows for higher penetrations of renewable energy generation. The users make use of a simplistic representation of an energy storage system and do not consider losses within the power lines.

An MILP-based model to investigate the optimal sizing of BESSs to support renewable energy integration is presented in [22]. The authors show that by combining BESS with a renewable energy plant, the revenues generated from the renewable energy plant are significantly increased. The authors only consider a single plant and do not consider the wider impact of the ESS on the network, including the effects on the losses in the network.

Al Essa [27] develops a framework considering several objectives that aim to assist in power management from renewable energy plants using BESS. The authors consider three objective clusters. The first minimizes the charging cost of the BESS, the
second minimizes the charging power of the BESS, while the third seeks to minimize the discharging power of the BESS. Results from several scenarios show that the second and third objective clusters can properly manage the BESS to assist in the power management from renewable energy generators. The authors do not consider uncertainty in their model and test on an IEEE 34 test system.

A real-world case study using Portugal was considered by Graça Gomes et al. [32] in which the authors present a planning model considering the Portuguese government’s National Renewable Energy Action Plan for 2030. The authors present an optimal mix of generators to meet the goals of the Action plan while respecting reliability and security concerns. The authors used existing software to carry out the research and the single objective function aimed to reduce the overall emissions from fossil fuel combustion while respecting various constraints.

Planning energy storage systems located in transmission systems to reduce congestion was carried out in [33]. The authors considered a robust optimization model for the co-planning of ESS and transmission lines and tested the model both on a 6-bus system as well as the 196-bus Chinese system. The authors showed that ESSs become more economical as the distance of the transmission lines increases. The authors did not consider power flow losses within the lines, and this may be important with the long-distance transmission lines that the authors considered.

Bera et al. [34] sought to maximize the revenue of a BESS while participating in energy arbitrage and frequency regulation markets. The authors used an improved battery degradation cost but used a simplistic model for the remainder of the BESS constraints. The authors also did not consider losses in the system.

The effects on the operation of power systems as a result of reduced system inertia due to an increase in RES were studied by Mehigan et al. [18]. The authors considered a pan-European model with different levels of RES penetration and differing minimum requirements of system inertia through an economic dispatch and unit commitment model. Results showed that increasing the minimum inertia requirements led to increased generation costs, curtailment of RES, and an increase in carbon dioxide emissions. The authors did not consider the impacts of BESS nor did the authors consider system losses, although the authors did use real-world test cases in the modeling and simulation.

Further research into the operational impact of reduced system inertia due to increased RES penetration was carried out by Martin Almenta et al. [35]. The authors examine the effects of increased constraints related to the SNSP ratio on the curtailment of wind energy in the Irish single electricity market. The authors again used a unit commitment and economic dispatch model to show that increasing the limit of SNSP of a power system can reduce the amount of RES curtailment.

The authors again used a unit commitment and economic dispatch model to show that increasing the limit of SNSP of a power system can reduce the amount of RES curtailment.

Validation of proposed models for BESS integrated generation expansion planning on real-world transmission networks is quite rare.

### Table I

**Taxonomy Table of Relevant Literature**

<table>
<thead>
<tr>
<th>Reference</th>
<th>Time frame considered</th>
<th>Type of optimization</th>
<th>Type of energy storage systems</th>
<th>Objective function</th>
<th>Uncertainty considered</th>
<th>Test system</th>
<th>Losses considered</th>
<th>Transmission/Distribution</th>
<th>SNSP</th>
</tr>
</thead>
<tbody>
<tr>
<td>[5]</td>
<td>Operational</td>
<td>MILP</td>
<td>BESS, pumped hydro</td>
<td>Minimize costs</td>
<td>Demand profiles</td>
<td>IEEE 119 bus</td>
<td>Yes</td>
<td>Distribution</td>
<td>No</td>
</tr>
<tr>
<td>[31]</td>
<td>Operational</td>
<td>MILP</td>
<td>BESS</td>
<td>Minimize system congestion</td>
<td>Demand profile, BESS SoC</td>
<td>Grid supply point</td>
<td>No</td>
<td>Distribution</td>
<td>No</td>
</tr>
<tr>
<td>[22]</td>
<td>Planning</td>
<td>MILP</td>
<td>Li-ion BESS</td>
<td>Maximize NPV</td>
<td>Deterministic</td>
<td>IEEE 34 bus system</td>
<td>No</td>
<td>NA</td>
<td>No</td>
</tr>
<tr>
<td>[27]</td>
<td>Operation</td>
<td>MILP</td>
<td>BESS</td>
<td>Minimize charging cost, powering, discharging</td>
<td>Deterministic</td>
<td>Pan-European electricity market</td>
<td>No</td>
<td>Transmission</td>
<td>Yes</td>
</tr>
<tr>
<td>[18]</td>
<td>Operation</td>
<td>MILP</td>
<td>None</td>
<td>Minimize costs</td>
<td>Deterministic</td>
<td>Irish single electricity market</td>
<td>No</td>
<td>Transmission</td>
<td>Yes</td>
</tr>
<tr>
<td>[32]</td>
<td>Operation</td>
<td>MILP</td>
<td>None</td>
<td>Minimize costs</td>
<td>Deterministic</td>
<td>Pan-European electricity market</td>
<td>No</td>
<td>Transmission</td>
<td>Yes</td>
</tr>
<tr>
<td>[33]</td>
<td>Planning</td>
<td>Energy Plan</td>
<td>Pumped hydro</td>
<td>Minimize costs</td>
<td>Demand profiles</td>
<td>Mainland Portugal</td>
<td>No</td>
<td>Transmission</td>
<td>No</td>
</tr>
<tr>
<td>[34]</td>
<td>Planning</td>
<td>MILP</td>
<td>Battery storage</td>
<td>Minimize power loss, costs, emissions</td>
<td>None</td>
<td>Modified 162 distribution system</td>
<td>Yes</td>
<td>Distribution</td>
<td>No</td>
</tr>
<tr>
<td>[35]</td>
<td>Planning</td>
<td>MILP</td>
<td>ESS</td>
<td>Minimize cost</td>
<td>RES generation</td>
<td>Garver 6-bus Chinese 196-bus</td>
<td>No</td>
<td>Transmission</td>
<td>No</td>
</tr>
<tr>
<td>[36]</td>
<td>Planning</td>
<td>Linear programming</td>
<td>Li-ion BESS</td>
<td>Maximize revenue for the BESS</td>
<td>Location/Marginal Price</td>
<td>IEEE reliability test system</td>
<td>No</td>
<td>Transmission</td>
<td>No</td>
</tr>
</tbody>
</table>

This paper: Operational, MILP, BESS, pumped hydro, Minimize costs, Demand, RES generation, Portuguese network, Yes, Transmission, Yes

Explanation: MILP: Mixed-integer linear programming; BESS: Battery energy storage systems; ESS: Energy storage systems; NPV: Net present value; SoC: State of charge; RES: Renewable energy sources; SNSP: System nonsynchronous penetration.
In a review on generation expansion planning conducted in [29], only six of the 23 models used a test system based on a real-world transmission system and none of the models considered the Portuguese transmission system. The issue of developing models for real-world case studies was also raised by Sinsel et al. [4], where the authors state that it is important to examine the relationship between geography and power system characteristics and the types of challenges faced and solutions used in these different power systems. This is done by developing models based on real-world case studies.

Moreover, Table I provides a summary of existing works that are closely related to the present article. This table presents that while numerous studies investigate the impact of BESS on power systems, this article examines important gaps in the literature that have rarely been studied together. This has been done through the use of a stochastic MILP model, which is tested on a real-world transmission system and considers the effect of the BESS on the system operations, and the inclusion of SNSP restriction so that the system demand is met, which ensures that the system operates within the required frequency and maintains adequate rotational inertia in the system. In existing papers, the formulation of the network model is not detailed enough to allow for the calculation of losses during operation. Operating power systems with reduced rotational system inertia is one of the biggest challenges confronting system operators. For the best knowledge of the authors, this analysis of the restriction SNSP in the presence of BESS has not yet been done in any other work in the existing literature. Validation of existing models is rarely done through the use of real-world systems, which is a major contribution of this article. In addition to the influence of the BESS analysis perspective, this article also presents a new optimization model that considers the uncertainty and variability of the renewables and demand.

C. Contributions

This article combines a novel stochastic MILP model to minimize the operational costs of incorporating large-scale storage systems in transmission systems with high levels of renewable energy integration.

This model is tested and validated on a large real-world transmission system, the Portuguese national transmission network. This article presents the following novel contributions.

1) A stochastic model to assess the long-term benefits of deploying BESSs within the Portuguese Transmission Network.

2) Accurate modeling of the effects of large-scale integration of RES and various flexibility options in real-world power systems through the development of a linear AC-OPF stochastic MILP model. This model provides a good balance between the accuracy of results and computational complexity.

3) Experimental analysis based on numerical results obtained from a real-life system, with the specific aim of improving system flexibility, increasing RES penetration, reduction losses, enhancing system stability, and reliability.

4) The inclusion of the SNSP restrictions helps to increase the accuracy of the scheduling of the required generator dispatch so that the system demand is met, which ensures that the system operates within the required frequency and inertia constraints.

D. Article Layout

The structure of the rest of this article is as follows. Section II contains the mathematical formulation of the problem. Section III presents and discusses the results of the model, while Section IV contains the conclusions.

II. MATHEMATICAL FORMULATION

This section presents the mathematical formulation of the stochastic MILP optimization model that was used in this research. The objective function and the various constraints of the model are described in the following sections.

A. Objective Function

The model sought to minimize the total cost. The total cost was made up of operational costs, costs associated with unserved power, and a cost related to emissions in the system. The total cost is shown as follows:

Minimize $TC = \alpha \ast TEC + \beta \ast TENS + \gamma \ast TEmiC$ \hspace{1cm} (1)

where $TC$ denotes the total operational cost in the system and $\alpha$, $\beta$, and $\gamma$ are weights that are set at qual initial values. $TEC$ is the expected cost of generating power according to a variety of available technologies (solar PV, wind, large hydro, small hydro, and biomass) as well as expected costs of operating the BESS. The term is given as follows. Degradation costs of the BESS are included.

$$TEC = \sum_{s \in \Omega^s} \rho_s \sum_{h \in \Omega^h} \pi_h \sum_{(g,i) \in \Omega^g} OC_g \ast P_{g,i,h,s}$$
$$+ \sum_{s \in \Omega^s} \rho_s \sum_{h \in \Omega^h} \pi_h \sum_{(e,a) \in \Omega^{e,a}} \lambda_{e,a}$$
$$\ast (P_{e,a}^{dch} + P_{e,a}^{rch}) \cdot (2)$$

The second term $TENS$ in (1) refers to the cost of energy not served due to technical constraints in the system. This is computed as

$$TENS = \sum_{s \in \Omega^s} \rho_s \sum_{h \in \Omega^h} \pi_h \sum_{i \in \Omega} v_{i,s,h}^{PNS} \ast P_{i,s,h}\cdot (3)$$

The term $v_{i,s,h}^{PNS}$ is defined as a penalty parameter that is correspondent to active power demand shed at a particular time. This parameter must be sufficiently high to avoid an undesirably large amount of unserved power.

Finally, in the last term, $TEmiC$ is responsible for the expected emissions cost in the system. It is a result of power generation and is given as

$$TEmiC = \sum_{s \in \Omega^s} \rho_s \sum_{h \in \Omega^h} \pi_h \sum_{(g,i) \in \Omega^g} \lambda_{CO2} \ast ER_g \ast P_{g,i,h,s} \cdot (4)$$
B. Constraints

Several constraints are applied to the model, all of which must be satisfied across all operating times to guarantee a safe operation of the transmission network system.

Kirchhoff’s current law is the basis for the first constraint and it states that the summation of all injections at a single node should be equal to the summation of all withdrawals at the node. This is applied to the model as follows:

\[ \sum_{(g,i) \in \Omega} P_{g,i,s} + \sum_{(e,i) \in \Gamma^{c}} (P_{ch}^{dch} - P_{ch}^{es,i,s,h}) + \sum_{i \in \Gamma^{h}} (P_{HydroPump}^{dch} - P_{HydroTurb}^{es,i,s,h}) + P_{NS}^{s,i,s,h} + \sum_{in,l \in \Omega^{l}} P_{l,s,h} - \sum_{out,l \in \Omega^{l}} P_{l,s,h} = PD_{s}^{i} + \sum_{in,l \in \Omega^{l}} \frac{1}{2} PL_{l,s,h} + \sum_{out,l \in \Omega^{l}} \frac{1}{2} PL_{l,s,h} \quad \forall c \in \Omega^{c}; \; \forall c; \; \forall l \in \Omega^{l} \]  

(5)

The power injected into a node, as described in (5), is composed of the active power delivered by generators, incoming active power along lines connected to the node, discharged power from any BESS, and power generated by using pumped hydro units.

The power being withdrawn at a node is also similarly composed of a number of terms, including the load demanded at the node, flows of power away along lines, power taken by the BESS to charge, and any power used in the pumped hydro plants for pumping requirements.

Kirchhoff’s voltage law provides another constraint. This law governs the power flow associated with any feeder. This law is included in the model by linear approximations of the power flow equations.

The first approximation, which deals with bus voltages being similar to the nominal value \( (V_{nom}) \), is valid for transmission systems. The second approximation considers the difference in voltage angles, \( \theta_{k} \). In practice, these values are very small, and thus, the trigonometric expressions are as follows: \( \sin \theta_{k} \approx \theta_{k} \) and \( \cos \theta_{k} \approx 1 \). These two assumptions allow the ac power flow equations to be linearized and the issues related to the nonlinearity and nonconvexity of the functions are removed. This then converts the model to a dc power flow model, which is demonstrated as follows:

\[ |P_{l,s,h} - S_{B}b_{l}\theta_{k,s,h}| \leq MP_{l}(1 - u_{l}) \]  

(6)

The aforementioned equation also includes the state of line \( u_{l} \), which is represented by a 1 if connected and 0 otherwise. The difference in angles is given by \( \theta_{i,s,h} = \theta_{i,s,h} - \theta_{j,s,h} \) with \( i \) and \( j \) corresponding to branch \( k \). The maximum transfer capacity places \( n \) upper limit on the power flow in each line. This constraint is shown as follows:

\[ P_{l,s,h} \leq u_{l}S_{l}^{\max} \]  

(7)

Quadratic functions, as shown in (8), approximate the active power losses. Especially noticeable are the quadratic flow terms that can be easily linearized by performing a piecewise linearization, as shown in [37].

\[ P_{l,s,h} = R_{l}I_{l,s,h}^{2} / S_{B}. \]  

(8)

Constraints related to BESS are shown in (9)–(14). The limits relating to charging and discharging are shown as follows:

\[ 0 \leq P_{ch}^{es,i,s,h} \leq r_{ch}^{es,i,s,h}P_{ch}^{es,i,s,h} \]  

(9)

\[ 0 \leq P_{dch}^{es,i,s,h} \leq r_{dch}^{es,i,s,h}P_{dch}^{es,i,s,h} \]  

(10)

A constraint is added in (11) to ensure that charging and discharging of the BESS cannot take place at the same time. The SoC of the BESS is given by (12).

\[ r_{ch}^{es,i,s,h} + r_{dch}^{es,i,s,h} \leq 1 \]  

(11)

\[ E_{es,i,s,h} = E_{es,i,s,h-1} + \eta_{ch}^{es,i,s,h}P_{ch}^{es,i,s,h} - P_{dch}^{es,i,s,h}/\eta_{ch}^{es,i,s,h} \]  

(12)

The SoC of the BESS is limited by lower and upper bounds as follows:

\[ E_{es,i,s,h}^{min} \leq E_{es,i,s,h} \leq E_{es,i,s,h}^{max} \]  

(13)

The initial and final SoC need to be determined. In this case, the initial and final SoC are set to be equal to each other. This is shown as follows:

\[ E_{es,i,s,h0} = \mu_{es}E_{es,i,s,h}^{max}, \; \mu_{es} = E_{es,i,s,h24} = \mu_{es}E_{es,i,s,h}^{max} \]  

(14)

Production of active power by the various generators is limited according to minimum/maximum values as follows:

\[ P_{min}^{g,i,s,h} \leq P_{g,i,s,h} \leq P_{max}^{g,i,s,h} \]  

(15)

The constraints relating to pumped hydro units are presented in (16)–(20). Pumping and energy production are bounded by (16) and (17), respectively.

\[ 0 \leq P_{HydroPump}^{g,i,s,h} \leq P_{HydroPump}^{g,i,s,h\max} \]  

(16)

\[ 0 \leq P_{HydroTurb}^{g,i,s,h} \leq P_{HydroTurb}^{g,i,s,h\max} \]  

(17)

Again, a constraint is added to ensure that the pumped hydro unit cannot be pumping and producing power at the same time. This is shown as follows:

\[ I_{HydroPump}^{g,i,s,h} + I_{HydroTurb}^{g,i,s,h} \leq 1. \]  

(18)

Bounds are placed on the minimum and maximum levels in the reservoir by the following:

\[ Dam_{g,l,i}^{min} \leq E_{HydroPump}^{g,i,s,h} \leq Dam_{g,l,i}^{max} \]  

(19)

\[ Dam_{g,l,i}^{min} \leq E_{HydroTurb}^{g,i,s,h} \leq Dam_{g,l,i}^{max}. \]  

(20)

As was the case with the BESS, there are additional constraints relating to the initial and final levels of water in the reservoir are included in the model.

In this article, the frequency and dynamic stability of the system are safeguarded through the SNSP constraint shown in (21). This metric helps to maintain the stability of the power system.

\[ SNSP \% = \frac{\text{Nonsynchronous generation} + \text{Net interconnector imports}}{\text{Demand} + \text{Net interconnector exports}} \times 100. \]  

(21)
III. NUMERICAL RESULTS AND DISCUSSION

A. Data and Assumptions

A case study that considered the Portuguese Transmission Network was carried out. Data associated with the system were obtained from [38] and [39]. Three voltage levels were modeled: 400 kV (red lines), 220 kV (green lines), and 150 kV (blue lines). This system is represented in Fig. 1.

Tables II–VII contain all of the network data as well as the location of generators (both renewable and nonrenewable) [39].

![Diagram of the Portuguese transmission system](image)

**Fig. 1.** Portuguese transmission system.

<table>
<thead>
<tr>
<th>TABLE II</th>
<th>CONVENTIONAL GENERATION DATA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Node</td>
<td>Location</td>
</tr>
<tr>
<td>n28</td>
<td>Laires</td>
</tr>
<tr>
<td>n81</td>
<td>Pego</td>
</tr>
<tr>
<td>n99</td>
<td>Ribatejo</td>
</tr>
<tr>
<td>n109</td>
<td>Sines</td>
</tr>
<tr>
<td>n112</td>
<td>Tapada do Outeiro</td>
</tr>
</tbody>
</table>
The size of the BESS was set at 100 MW/300 MWh and charging and discharging efficiencies were set at 90%. The peak load in the system is 5384.9 MW.

An operational period of 672 h was used to allow for four representative weeks of the year to be modeled. This is to allow for more accurate simulation of the BESS than the 24-h period, which is usually used.

Large pumped hydro plants are located in Aguieira, Alqueva, Alto Rabagão, Frades, Torrão, and Vilarinho das Furnas. BESS is placed optimally at 13 nodes, which are Castelo Branco, Di-VOR, Falagueira, Gardunha, Estoi, Estremoz, Tunes, Carregado, Sacavém, and Ferro.

The chosen nodes are close to areas of large renewable energy generators or dense load centers. The installed capacity of wind power was set to increase by 10% per year for the next 15 years. Additionally, three scenarios of demand growth were considered; these were constant growth rates of 5%, 10%, and 15% over the next 15 years. Each scenario was given an equal probability of occurrence.
The various demand scenarios were used as a way to model uncertainty. In addition, uncertainty around solar and wind energy production was considered. Each of the three types of uncertainty is accounted for through the use of three scenarios, each with a different hourly profile.

The uncertainty inherent in the wind speed and solar radiation is assumed to cause a ±15% deviation from the average power output profiles of the RES plants. This uncertainty can be caused by a ±5% forecasting error in wind speed or solar radiation.

From these assumptions, two hourly profiles of wind power output are derived. One profile is 15% below the average profile, while in the other, the output is 15% above the average hourly value. These two profiles combined with the average profile lead to three wind energy scenarios. A similar procedure is carried out for the solar power output so that there are also three scenarios for this technology (15% below average, average, and 15% above average).

These three sets of hourly profiles are combined to form a set of 27 scenarios that are used in the analysis. Each of the 27 scenarios is assumed to be equally probable.

To ensure the tractability of the problem, the multidimensional input data of size 27 * 8760 (27 scenarios for each of the 8760 h in the year) are clustered into groups of size 27 * 200 through the use of a k-means clustering algorithm [40]. This means that each cluster is a group of similar operational situations. From these situations, a representative situation is obtained corresponding to the average operational profile in each of the clusters. A weighting is applied to each representative profile following the number of profiles in that group in proportion to the total number of operational cases. While this method ensures the tractability of the problem, it, unfortunately, means that the chronological order of the time series data is not maintained. This means that the level of the autocorrelation of the data cannot be measured.

In the context of medium- to long-term planning problems, the loss of this information may not be significant but if it is deemed significant there are methods available that can recover this chronological [41]. Real-life data for our analysis were obtained from [38].

This problem was modeled using GAMS 24.0 and solved using the CPLEX 12.0 solver. All simulations are conducted using an HP Z820 workstation with two E5-2687W processors clocked at 3.1 GHz.

B. Discussion of Numerical Results

In the course of the analysis, five different cases are considered, Cases A through to Case E. Case A is the baseline system with no BESS and conventional power plants are not flexible enough to deal with the fluctuations in RE production. The lack of flexibility was considered by using the lower bound of energy production from each generator. Case B is similar to Case A, except that has BESS deployed. Case C assumes no BESS deployment but increases the flexibility of the conventional power plants using a “game-changing” mechanism, which increases the plant flexibility. Two case studies were considered in this article. Case D also assumes the deployment of BESS and the increased flexibility of the conventional generators with the main difference being that Case D uses an upper limit of 80% systemwide nonsynchronous generation (SNSP). Case E removes the limit imposed on SNSP in Case D. SNSP is calculated as the proportion of RE production plus the amount of power imported to the sum of the demand plus the amount of power exported over an hourly time period, as shown in (21).

Each of the cases is briefly summarized as follows,

1) Case A: No BESS deployed, nonflexible conventional power generation plants, and 80% SNSP limit.

2) Case B: BESSs deployed, nonflexible conventional power generation plants, and 80% SNSP limit.

3) Case C: No BESS deployed, flexible conventional power generation fleet, and 80% SNSP limit.

4) Case D: BESSs deployed, flexible conventional power generation fleet, and 80% SNSP limit.

5) Case E: BESSs deployed, flexible conventional power generation fleet, and no SNSP limit.

The expected systemwide costs and energy losses of the various cases are presented in Table VIII. The benefits of using BESS are evident in the table and these benefits are increased if the BESSs are combined with flexible conventional power plants.

Comparing the results from Case A and Case B, the introduction of BESS leads to a reduction in total costs of 3.1%, operation, and maintenance costs are reduced by 2.59% and emission costs are down 4.64%. Increasing the flexibility of the conventional power plants leads to a decrease of 6.5% in overall costs between Case A and Case C. Similar cost reduction can be seen for all cases with Cases B, D, and E showing a decline of 3%, 9%, and 9.4%, respectively. Deploying BESSs have the largest effect on these cost reductions. Removing the SNSP limit does not have a significant impact on the costs but this might vary according to different networks.

The introduction of the game-changing flexibility measures applied to the conventional power plants in Case C results in a decrease of 6.5% in overall costs between Case A and Case C. Comparing the flexibility measures introduced in Case C to the

| TABLE VII |
| Biomass Distributed Generation Data |
| Node | Node Location | P_max [MW] |
| n34 | Biomassa de Caciu (Estarreja) | 47.6 |
| n50 | Figueira da Foz (Lavos) | 95 |
| n108 | Biomassa de Setubal | 66.4 |

| TABLE VIII |
| Comparison of Systemwide Cost Terms and Energy Losses on an Annual Basis |
| | Cases |
| Expected cost of O&M (M$/year) | A | B | C | D | E |
| Cost of emission (M$/year) | 237 | 226 | 212 | 204 | 204 |
| Expected total cost (M$/year) | 971 | 941 | 908 | 883 | 880 |
| Expected energy losses (TWh/year) | 0.63 | +1.3% | +6.3% | +7.4% | +8.4% |
impact of BESS in Case B, the total costs are 0.41% lower in Case C than Case B. This is mainly due to the reduced emission and operation costs of Case C compared to Case B. Case D, which introduced the increased flexibility measures as well as BESS, led to a decrease in the total costs of 2.75% compared to Case C (with no BESS).

Comparing the results of Cases A–D, the full effect of the increased flexibility as well as the BESS can be seen. These effects lead to a 9.06% reduction in costs compared to Case A; however, there was an increase in the cost of the losses. Removing the SNSP constraint (as done in Case E) leads to a further reduction in total costs by 0.34% compared to Case D. This is due to lower operation and maintenance costs.

These results clearly show the benefit of BESS and increased system flexibility. The use of BESS increased the utilization and efficiency of RES while decreasing system costs. Costs were lowered by as much as 10% through the use of BESS. A further reduction in costs was seen when the SNSP constraint was relaxed. This shows that using both technologies in tandem reaps the highest benefits as they can work together to reduce system costs.

An interesting result is identified when looking at the energy losses given in Table VIII. The energy losses generally increase from Case A to Case E. If the value of the energy losses of Case A (0.63 TWh) is taken as a reference, then Cases B–E show an increase in the energy loses of 1.3%, 6.3%, 7.4%, and 8.4%, respectively. This result can be explained by the increased transmission losses in the lines as more RE is used, which is based far from the load centers. The extra losses are not as significant as the operational costs and costs of emissions offset the energy losses.

Profiles of the energy mix for Case A, Case B, Case C, Case D, and Case E are shown in Figs. 2–6, respectively. In the energy mix of Case B, as shown in Fig. 3, it can be seen that the majority of the generation comes from the combination of wind energy, hydroelectric plants, and gas-fired generation, which is the lowest contribution to the energy mix from biomass and solar PV. This is consistent with the energy mix in Case A but in Case B, there is an increase in clean energy sources and a decrease in conventional power plants due to the introduction of BESS.

This trend of lower generation from conventional power plants is again evident in Fig. 4, which is the energy mix for Case C. When generation exceeds demand, mostly when there is a large amount of wind generation, the pumping stations are activated. The trend of lower conventional generation is reversed in Case D, Fig. 5, where there is a slight increase in gas generation in comparison to Case C but coal generation is reduced in Case D when compared to Case C. The remaining generation technologies remain largely the same with some small fluctuations in supply. The usage of BESS in Case D is also lower than in Case B. This is because there is the second source of flexibility, which is the game-changing mechanisms, present in Case D compared...
TABLE IX
<table>
<thead>
<tr>
<th>Cases</th>
<th>A</th>
<th>B</th>
<th>C</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wind</td>
<td>64347.27</td>
<td>32.95%</td>
<td>63028.24</td>
</tr>
<tr>
<td>Hydro</td>
<td>55345.78</td>
<td>28.34%</td>
<td>57204.27</td>
</tr>
<tr>
<td>Gas</td>
<td>48891.88</td>
<td>25.04%</td>
<td>45288.63</td>
</tr>
<tr>
<td>Coal</td>
<td>25822.21</td>
<td>13.22%</td>
<td>22260.01</td>
</tr>
<tr>
<td>Biomass</td>
<td>5662.7</td>
<td>2.59%</td>
<td>4744.37</td>
</tr>
<tr>
<td>Solar</td>
<td>1386.08</td>
<td>0.71%</td>
<td>1386.08</td>
</tr>
<tr>
<td>Turbine</td>
<td>811.18</td>
<td>0.43%</td>
<td>811.18</td>
</tr>
<tr>
<td>Pumping</td>
<td>-4771.95</td>
<td>2.44%</td>
<td>-2216.79</td>
</tr>
<tr>
<td>ESSs Charge</td>
<td>NA</td>
<td>NA</td>
<td>-7486.36</td>
</tr>
<tr>
<td>ESSs Discharge</td>
<td>NA</td>
<td>NA</td>
<td>5788.15</td>
</tr>
<tr>
<td>Losses</td>
<td>2820.95</td>
<td>1.50%</td>
<td>2961.20</td>
</tr>
</tbody>
</table>

Fig. 6: Power production mix profile in Case E.

From the figures, it is clear to see that deploying BESS leads to better management of the variable RE production (especially wind) by storing it during periods of high generation but low demand. The energy mixes of Case A, Case B, and Case C are given in Table IX for a continuous period of 48 h. The results show a decrease in the use of conventional generation when compared to Case A and Case B, while the amount of RE production increased relative to Case A and Case B, except wind generation which decreased slightly when compared to Case B.

Table X represents the contribution of BESSs in Case E increased from 1.62% to 1.75% compared to Case D. This due to the relaxation of the SNSP in Case E. Therefore, since there is a greater integration of renewable energy in the network, there is greater availability of resources to store and also a greater need for flexibility in the network, which is provided by the use of BESSs. The results showed that BESS can provide larger than expected benefits to the Portuguese Transmission Network. This was done by increasing the flexibility of the transmission system, which allowed for better management of intermittent RE and this led to an overall increase in the efficiency of the transmission system.

A comparison of the two types of storage technologies, BESS and pumped hydro, is shown in Fig. 7. From the figure, it is clear to see that BESSs have a much higher rate of utilization, BESS provides a larger cost saving than pumped hydro, and thus, BESSs are the preferred ESS type in the model. BESS also leads to better management of high penetrations of RE production (especially wind energy) as BESS can store the energy in periods of high production and discharge the energy during periods of low generation or high demand.

Also, BESS can be deployed throughout the system more easily and more optimally sized when compared to pumped hydro energy storage systems. The BESSs provide a high total of the total system, with 3.08% in Case B. Thus, BESSs provide the transmission grid with the necessary flexibility to adequately
manage high proportions of RE production. Further comparison of BESS against pumped hydro in case E is shown in Fig. 8.

The increased penetration of SNSP was thought to require an increase in all available energy storage systems but there is still a clear preference for BESS in the system. This is further given in Table X with only a slight increase in pumped hydro capacity between the cases. Portugal's largest intermittent RES is wind energy. In some instances, generation exceeds demand and some generations must be curtailed if there are not suitable flexibility mechanisms available. In Portugal, the curtailed energy is generally from wind energy. The amount of curtailed energy from wind generation in each of the cases in the model is shown in Fig. 9.

A general trend can be seen, that is increasing the system flexibility (either through installing BESS, increasing the flexibility of the generators, or relaxing the SNSP constraints) leads to a lower amount of wind energy being curtailed. The amount of curtailed wind energy is 13.67% in Case A and this decreased to 12.04% in Case B. Case C has a value of 11.94% of wind energy curtailment, a total reduction of 12.66% compared to Case A. In Case D where the BESS and game-changing mechanisms are introduced the wind, energy curtailment is reduced to 8.16% of total wind energy representing a decrease of 40.3% compared to Case A. Relaxing the SNSP constraint further, as done in Case E, reduces the curtailment to 7.51%. The reduction in total costs and RES curtailment when the SNSP constraint is relaxed, thus reducing the amount of inertia in the system and this finding is consistent with the existing literature [18].

IV. CONCLUSION

The economic and technical potential of BESS to increase the operational flexibility of the Portuguese Transmission Network was studied in this article as a real case study. Intermittent RE generation and variable load were taken into account in the model used. The model used was a stochastic MILP which had the objective of minimizing costs subject to some economic and technical constraints. Also, the SNSP constraint was investigated in the model to examine the effects of a large penetration of RES on the stability of the power system. BESSs were optimally located and the analysis conducted used numerical results based on the Portuguese Transmission Network to investigate the effects of these BESS. The results showed that using BESS increased the efficiency of renewable energy generation and decreased the costs of operation. The costs decreased as much as 10% relative to a baseline scenario. Costs decreased further when the SNSP constraint was relaxed. The amount of wind energy curtailment also decreased with BESS deployment and curtailment was reduced further when the higher levels of SNSP were allowed. Energy losses are slightly increased with increasing BESS deployment, but these losses are due to the larger transmission line losses as more renewable energy is used which is based far away from load centers. The savings in operational costs and emissions completely offset this slight increase in transmission losses. The results showed that BESS can provide larger than expected benefits to the Portuguese Transmission Network, especially as it increased the flexibility of the transmission system, which allowed for better management of intermittent RE and an overall increase in the efficiency of the transmission system. The findings and conclusions of this article could be applied to several aspects of the power system. Developers of BESS plants as well as energy policy makers in Portugal will benefit from this article. The increase of the SNSP does bring additional challenges and costs for the power system for the system operator to balance supply and demand. BESS can provide solutions to these challenges.

REFERENCES


