

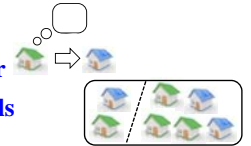
# Analysis of Photovoltaic Popularization Dynamics Considering Feed-in Tariff



Satoshi Sunaga  
FL 12-13-1  
November 5th, 2012

## Outline

- Background (pp. 3~4)
- Objective (p. 5)
- Model ( Considered Feed-in Tariff ) (pp. 6~)
  - Modeling ( Considered Feed-in Tariff )
  - Relation between parameters and simulation
- Decision Model (pp. 11~)
  - Imitation, Trial and Error
  - Mixture of decision models
- Progresses and Feature Works (p. 20)



## Background

### Energy Problem

- Stable energy supply
- Low emission
- Energy secure



### New Resource of Energy

#### Photovoltaics : PV

- Using solar energy )
- ↓
- Electric energy

Wind Power

#### Advantage



#### Disadvantage

- High cost of PV panel
- Output variability

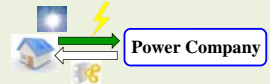
[\*]

## Feed-in Tariff

### Policy of Renewable Energy Popularization[7][8]

#### Feed-in Tariff (FIT)

PV for residential setting



#### Germany

Starting in 2000

“ Solar Mania ”, PV installation over their plan

Reconsidered in 2009 and 2012

#### Spain

Starting in 2007

Reconsidered in 2008 and 2010

- Many companies go bankrupt
- Consumers have to pay extra fee for PV installation
- They set PV fee more cheaper

PV fee is important for appreciate PV installation

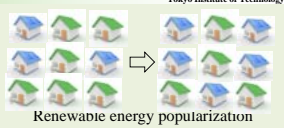
⇒ Objective of control

## Objective

### Objective of Research

Regulation of renewable energy(PV)

- Robustness against imbalance of PV
- Optimization of PV rate and aids



Renewable energy popularization

### Problems

- Complex connections between agents

⇒ PV Popularization rate

Evolutionary Game

- Variance of output

⇒ Risk function



Power variance

- High cost

⇒ Reallocation of PV cost



## PV Popularization Dynamics

### PV Popularization Dynamics

$$\dot{x}_1 = (f_1 - \phi) x_1$$

$$f_1 = y(x_1, \mu), \quad \phi = z(x_1, \mu)x_1 + z(x_1, \mu)(1 - x_1)$$



PV installation  $f_1$  is better than average strategy

⇒ PV installation increase

Note  
This contents include mid-presentation  
See Appendix

Expectation of PV installer :  $y(x_1, \mu)$

Expectation of no PV installer :  $z(x_1, \mu)$

Average Expectation  $\phi(x_1, \mu)$

PV popularization rate :  $x_1$   
Reallocation rate :  $\mu$

### Concrete Objective

Regulation of PV popularization with reallocation  $\beta(\mu)$  being smaller

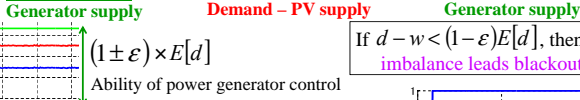


Expensive?

## Imbalance Between Supply and Demand

Risk function: Load Frequency Control(LFC)[6]

$$(1-\varepsilon) \times E[d] \leq \text{Demand} - \text{Total PV power } w \leq (1+\varepsilon) \times E[d]$$



If  $d - w < (1-\varepsilon)E[d]$ , then imbalance leads blackout

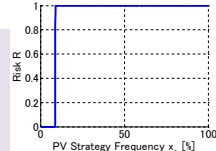
$R$  : Probability of Imbalance such that  $w > \varepsilon d$

$$R = \Pr\{d - w < (1-\varepsilon)E[d]\} = \Pr\{w > \varepsilon NE[d_i]\}$$

$$= \Pr\left\{\frac{w - n_i E[w_i]}{\sqrt{n_i} \sigma} > \frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{n_i} \sigma}\right\}$$

$$\approx \frac{1}{\sqrt{\pi}} \int_{\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}}^{\infty} e^{-x^2} dx = \begin{cases} \frac{1}{2} \left(1 - \operatorname{erf}\left(\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}\right)\right) & (\varepsilon NE[d_i] > n_i E[w_i]) \\ \frac{1}{2} \left(1 + \operatorname{erf}\left(\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}\right)\right) & (\varepsilon NE[d_i] \leq n_i E[w_i]) \end{cases}$$

( $\because$  Central limit theorem)



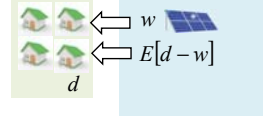
7

## c.f. Imbalance Between Supply and Demand

Risk function: Modeling approach

$$-\varepsilon'd \leq d - (w + E[d - w]) \leq \varepsilon'd$$

If  $|d - w - E[d - w]| > \varepsilon'd$ , then imbalance leads blackout



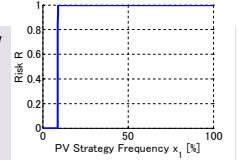
$R$  : Probability of Imbalance such that  $w > \varepsilon d$

$$R = \Pr\{w > \varepsilon d\} = \Pr\{w > \varepsilon NE[d_i]\}$$

$$= \Pr\left\{\frac{w - n_i E[w_i]}{\sqrt{n_i} \sigma} > \frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{n_i} \sigma}\right\}$$

$$\approx \frac{1}{\sqrt{\pi}} \int_{\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}}^{\infty} e^{-x^2} dx = \begin{cases} \frac{1}{2} \left(1 - \operatorname{erf}\left(\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}\right)\right) & (\varepsilon NE[d_i] > n_i E[w_i]) \\ \frac{1}{2} \left(1 + \operatorname{erf}\left(\frac{\varepsilon NE[d_i] - n_i E[w_i]}{\sqrt{2n_i} \sigma}\right)\right) & (\varepsilon NE[d_i] \leq n_i E[w_i]) \end{cases}$$

( $\because$  Central limit theorem)



8

## Simulation Setting

A customer's demand  $d_i$ : Constant ( Variance )

PV power  $w_i$ : Constant ( Variance )

Standard variance  $\sigma$ : 0.2279 From NEDO data in Hiroshima

Assumption : Standard variance of  $d_i$  and  $w_i$  are same

Population  $N$ : 1,000,000

Costs caused by imbalance[5]  $c_i$ : 1,000 yen/kWh

Electrical utility of PV  $C_{PV}$ : Constant ( Variance )

Electrical utility of grid  $C_{GP}$ : 16 yen/kWh

Simulation time span 1 week Considered PV install time

9

## Variation of PV Utility Fee

Setting

Useful life-span of PV Panel: 10 years

A PV Generation :  $0.0959 \times 4.45$  kWh/h

A demand[9]: 0.7336 kWh/h

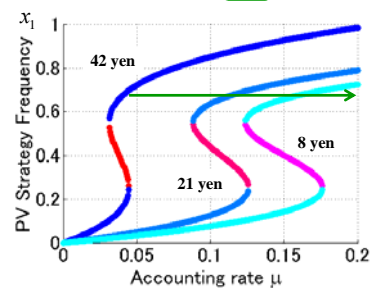
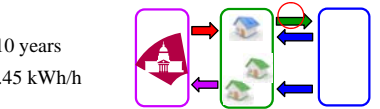
Decision Model

Replicator Dynamics

$$\dot{x}_1 = (f_1(x_1, \mu) - \phi(x_1, \mu))x_1$$

PV utility fee : Variation

42 yen/kWh, 21 yen/kWh  
8 yen/kWh,



PV utility fee become cheaper, then PV popularization is choked off

Tokyo Institute of Technology

Fujita Laboratory 10

## Decision Model

In the discussions so far,

Simply benefit base utility of power charges



In reality,

There are many factors for decisions[15][16]

- Imitation
- Strategic thinking
- Learning



Application of Decision Model

- Win-Stay-Lose-Shift[13] ( Same as Replicator Dynamics ? )

• Imitation[16]

• Trial and error[16]



11

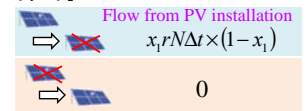
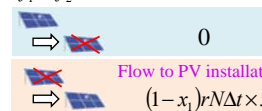
## Imitation

Decision Sequence

1. Select an agent and an opponent randomly
2. If the opponent looks good, the agent imitates opponent's strategy

1.  $f_1 \geq f_2$  PV installation is better

$f_1 < f_2$  PV installation is worse



2. Variance of the number of PV installation

$$\begin{cases} N\Delta x_1 = x_1(1-x_1)rN\Delta t & (f_1 \geq f_2) \\ N\Delta x_1 = -x_1(1-x_1)rN\Delta t & (f_1 < f_2) \end{cases} \quad r : \text{Rate of doing imitation} \quad f_1 = f_1(x_1, \mu), f_2 = f_2(x_1, \mu)$$

$$\dot{x}_1 = \begin{cases} rx_1(1-x_1) & (f_1 \geq f_2) \\ -rx_1(1-x_1) & (f_1 < f_2) \end{cases} \quad \text{Imitation (Most easily model)}$$

12

### Imitation[16]

**Decision Sequence**

1. Select an agent and an opponent randomly
2. If the opponent looks good, the agent imitates opponent's strategy

**Simulation Setting**  
Same as slide No. 9  
PV utility fee : 42 yen/kWh

**Decision Model**

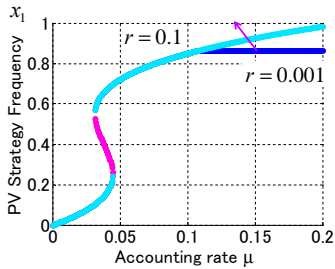
**Imitation** ( Most easily model )

$$\dot{x}_1 = \begin{cases} rx_1(1-x_1) & (f_1 > f_2) \\ -rx_1(1-x_1) & (f_1 \leq f_2) \end{cases}$$

$r : \text{const} (r = 0.001)$

**PV popularization is stopped**

$r$  become bigger, then the dynamics close in Replicator Dynamics



### Trial and Error

**Decision Sequence**

- Select an agent and an opponent randomly
- Every agent has trend based on reinforcement and forgetting

Trend of player  $i$  selecting PV installation

$$P_{i1}(t+1) = (1-\varphi)P_{i1}(t) + R_{i1}(t)$$

$R_{i1}(t)$  : Reinforcement of PV installation  
 $\varphi$  : Rate of forgetting

Rate which player  $i$  selects PV installation :  $x_{i1}$  (abbr.  $x_i$ )

$$x_i(t) = \frac{P_{i1}(t)}{P_{i1}(t) + P_{i2}(t)} = \frac{P_{i1}(t)}{P(t)}$$

$$\Delta x_i = x_i(t+1) - x_i(t) = \frac{P_{i1}(t+1)}{P_{i1}(t+1) + P_{i2}(t+1)} - x_i(t) = \dots = \frac{(R_{i1} - x_i(t)(R_{i1} + R_{i2}))}{P_{i1}(t+1) + P_{i2}(t+1)}$$

### Trial and Error

Payoff table (1 VS 1)	Opposite side	Own side	Rate of selection	$\Delta x_i$ at rate of selection
	$a$	$b$	$x_i x$	$(1-x_i)a / ((1-\varphi)P(t) + a)$
	$b$	$c$	$x_i(1-x)$	$(1-x_i)b / ((1-\varphi)P(t) + b)$
	$f_1$	$f_2$	$(1-x_i)x$	$-x_i c / ((1-\varphi)P(t) + c)$
	$f_2$	$(1-x_i)(1-x)$	$-x_i d / ((1-\varphi)P(t) + d)$	

Numerator of  $E[\Delta x_i]$

$$= x_i x_i (1-x_i)a + x_i (1-x_i)(1-x_i)b + (1-x_i)x_i x_i c + (1-x_i)(1-x_i)x_i d$$

$$= x_i (1-x_i)(x_i a + (1-x_i)b + x_i c + (1-x_i)d) = x_i (1-x_i)(f_1 - f_2)$$

$$E[\Delta x_i] = \alpha x_i (1-x_i)(f_1 - f_2)$$

**Trial and error**

$\alpha$  : approximate value ( Constant )

### Trial and Error[16]

**Decision Sequence**

- Select an agent and an opponent randomly
- Every agent has trend based on reinforcement and forgetting

**Simulation Setting**

Same as slide No. 9  
PV utility fee : 42 yen/kWh

**Decision Model**

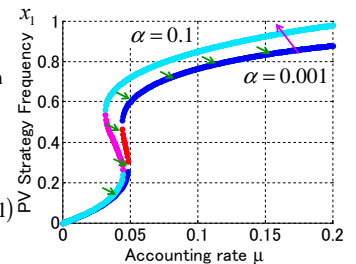
**Trial and error**

$$\dot{x}_1 = \alpha x_1 (1-x_1)(f_1 - f_2)$$

$\alpha : \text{const} (\alpha = 0.001)$

**Suppress PV popularization**

$\alpha$  become bigger, then the dynamics close in Replicator Dynamics



### Mixture of Strategies

**Motivation**

It is hardly possible that one community contains one decision model



**Setting**

**Mixture of 2 Learning Algorithms (LAs)**

LA1 : Imitation LA2 : Trial and error



**PV Dynamics**

$$\text{LA1 : } \dot{x}_{11} = \begin{cases} rx_{11}(1-x_{11}) & (f_1(x_1, \mu) > f_2(x_1, \mu)) \\ -rx_{11}(1-x_{11}) & (f_1(x_1, \mu) \leq f_2(x_1, \mu)) \end{cases}$$

$x_{11}$  : PV rate of LA1

$x_{12}$  : PV rate of LA2

$$x_1 = \eta x_{11} + (1-\eta)x_{12}$$

$\eta$  : Rate of LA1 (const)

$$\text{LA2 : } \dot{x}_{12} = \alpha x_{12}(1-x_{12})(f_1(x_1, \mu) - f_2(x_1, \mu))$$

$$\text{All : } \dot{x}_1 = \eta \dot{x}_{11} + (1-\eta)\dot{x}_{12} - \gamma x_1$$

**Break down of PV system**

### PV Dynamics with 2 Decision Model

**Stable and Unstable Point**

Stable point : ●

Unstable point : ●

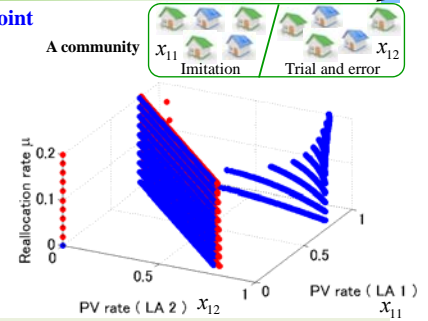
Learning Algorithm(LA)1

Imitation

Learning Algorithm(LA)2

Trial and error

Rate of LA 1 agents : 0.5



There exists 2 stable points areas

• PV rate convergences to about 0.39 ( Linear area : left blue area )

• PV rate convergences ( Nonlinear area : right blue area )

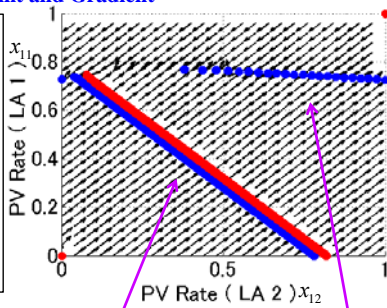


## PV Dynamics with 2 Decision Model



### Stable and Unstable Point and Gradient

- Stable point : ●
- Unstable point : ●
- Vector fields : →
- Learning Algorithm(LA)1  
Imitation
- Learning Algorithm(LA)2  
Trial and error
- Rate of LA 1 agents : 0.5
- Reallocation rate :  $\mu = 0.005$



PV rate convergences to about 0.39 ( linear area )

PV rate convergences from 0.42 to 0.87 ( nonlinear area )



## Progresses and Feature Works

### Progresses

- Modeling considered Feed-In Tariff
- Analysis of the model
  - Verifies of parameters ( PV utility fee, PV power etc. )
  - Applying of decision model
- Analysis of mixture model of 2 decision model



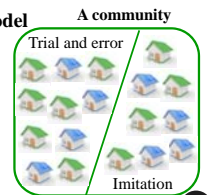
### Feature Works

- Theoretical analysis of mixture of 2 decision model

- Applying evaluation function to mixture model
- Applying new penalty for PV installer

- Applying variance of parameters

- PV panel cost Experience curve
- PV utility fee Difference between reference and present PV rate



## References

### Renewable Energy

- [1] E. Y. Bitar, P. P. Khargonekar, K. Poolla, "Systems and Control Opportunities in the Integration of Renewable Energy into the Smart Grid," IFAC World Congress, 2011.
- [2] Z. Changhong, T. Ufuk, L. Steven, "Frequency-Based Load Control in Power Systems," *Proc. of the IEEE Conf. on American Control Conference*, 2012.
- [3] R. Rajagopal, E. Bitar, F. Wu, P. Varaiya, "Risk Limiting Dispatch of Wind Power," *Proc. of the IEEE Conf. on American Control Conference*, 2012.
- [4] S. A. E Maria, G. Dennice, T. Ufuk, "Risk-Mitigated Optimal Power Flow with High Wind Penetration," *Proc. of the IEEE Conf. on American Control Conference*, 2012.



## References

### Renewable Energy

- [5] 今中, "需給対策コストカーブの外観," (財) 電力中央研究所社会経済研究所ディスカッションペーパー, 2011.
- [6] 奥田, 木村, "太陽光発電システムの出力変動抑制技術," 東芝レビュー, Vol.65 No.9, 2010.
- [7] 岩屋, "ドイツ太陽光発電市場 現地調査報告," 経営センサー, November, 2010.
- [8] Yamada, Ikki, "National Survey Report of PV Power Applications in Japan 2011," International Energy Agency Co-operative Programme on Photovoltaic Power Systems, May 31, 2012.
- [9] 電気事業連合会, "2011年度分 電力需要実績(確報)," April 27th, 2012.
- [10] Gabriel C. Alvarez, "Study of the effects on employment of public aid to Renewable energy sources," Instituto Juan de Mariana, Vol. 7, March, 2009



## References

### Evolutionary Game

- [11] T. Kanazawa, H. Goto, and T. Ushio, "Replicator Dynamics with Dynamic Payoff Reallocation Based on the Government's Payoff," *2007 International Symposium on Nonlinear Theory and its Applications*, 2007.
- [12] D. Pais and N. E. Leonard, "Limit Cycles in Replicator-Mutator Network Dynamics," *Proc. of the IEEE Conf. on Decision and Control*, 2011
- [13] M. Saito, T. Hatanaka and M. Fujita, "Decision Dynamics in Cooperative Search Based on Evolutionary Game Theory," *Communications in Information and Systems, Special Issue on Control of Complex and Nonlinear Systems*, Dedicated to John Baillieul on the Occasion of His 65th Birthday, Vol. 11, No. 1, pp. 57-70, 2011.
- [14] 生天目, "ゲーム理論と進化ダイナミクス : 人間関係に潜む複雑系," 森北出版, 2004.
- [15] Martin A. Nowak, "進化のダイナミクス : 生命の謎を解き明かす方程式," 共立出版, 2009.
- [16] 大浦, "社会科学者のための進化ゲーム論 : 基礎から応用まで," 勁草書房, 2010.