



# Grid Modernization and Smart Distribution Systems

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**QUANTA  
TECHNOLOGY**

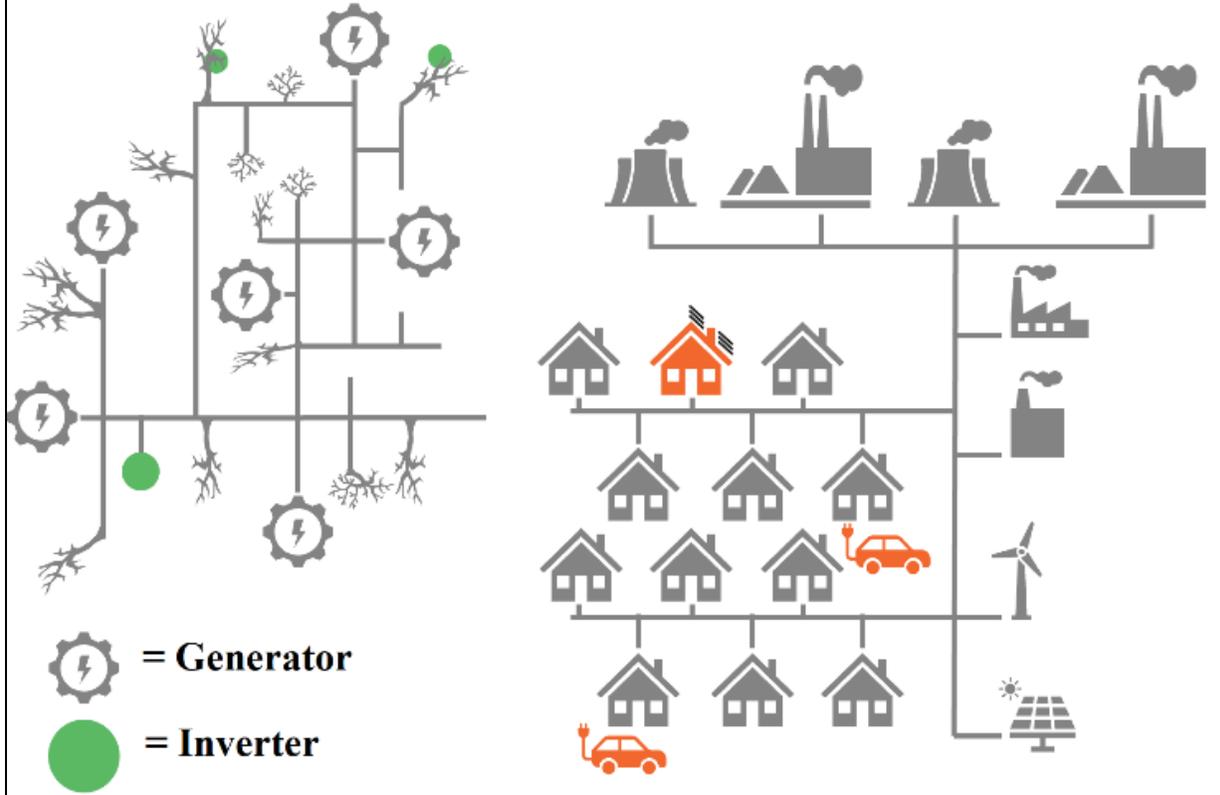
# Grid Modernization Drivers

- Evolving expectations of customers regarding reliability and resiliency
- Real-time interactions with consumers
- Increasing dependency of our digital economy on electric power
- Stress imposed to the existing grid by the adoption of new technologies, such as distributed energy resources and transportation electrification
  - Electric power industry in several countries is moving toward carbon-neutral system operation over the next 10-20 years
- Evolving changes to weather patterns (e.g., more frequent and more severe storms and catastrophic events, such as major hurricanes)
- We must address the gap between existing infrastructure and future needs
  - Upgrades will require significant effort, investment, and time
  - Need to prioritize investments and develop roadmap

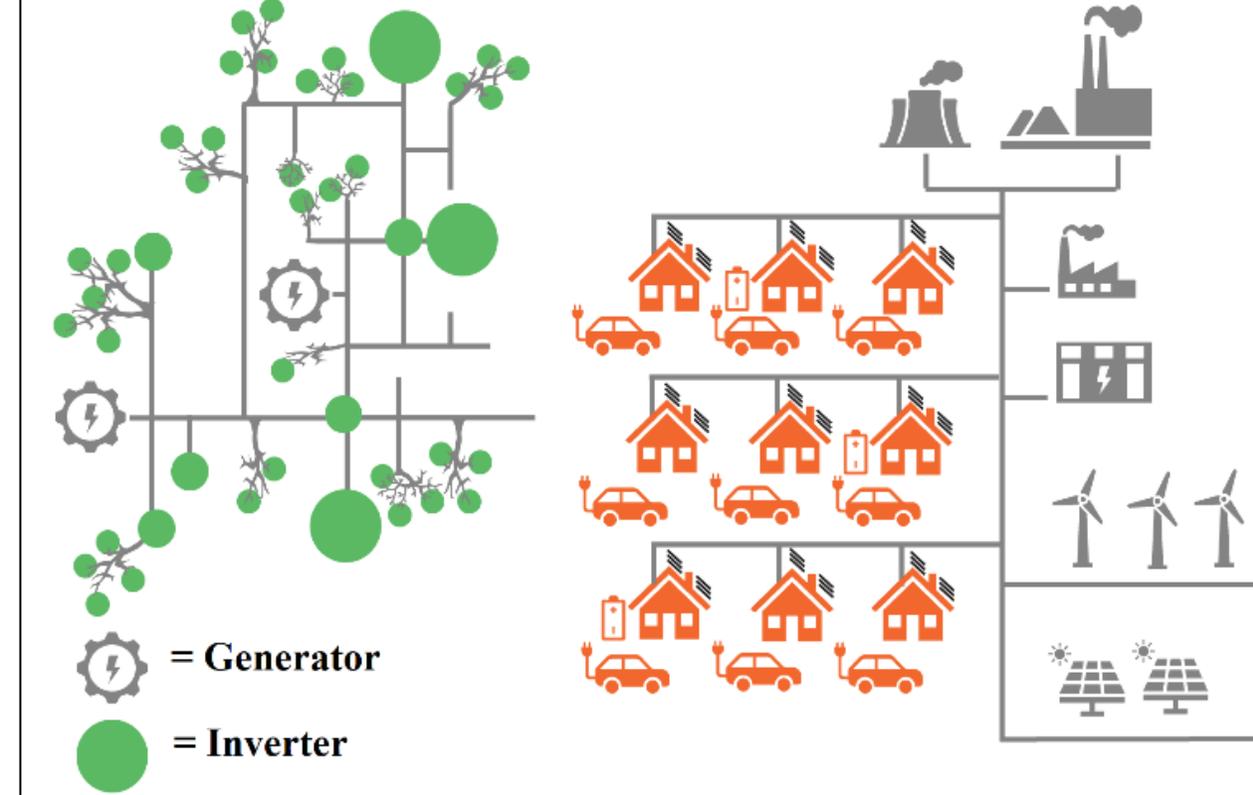


# Distribution System Evolution

### Present

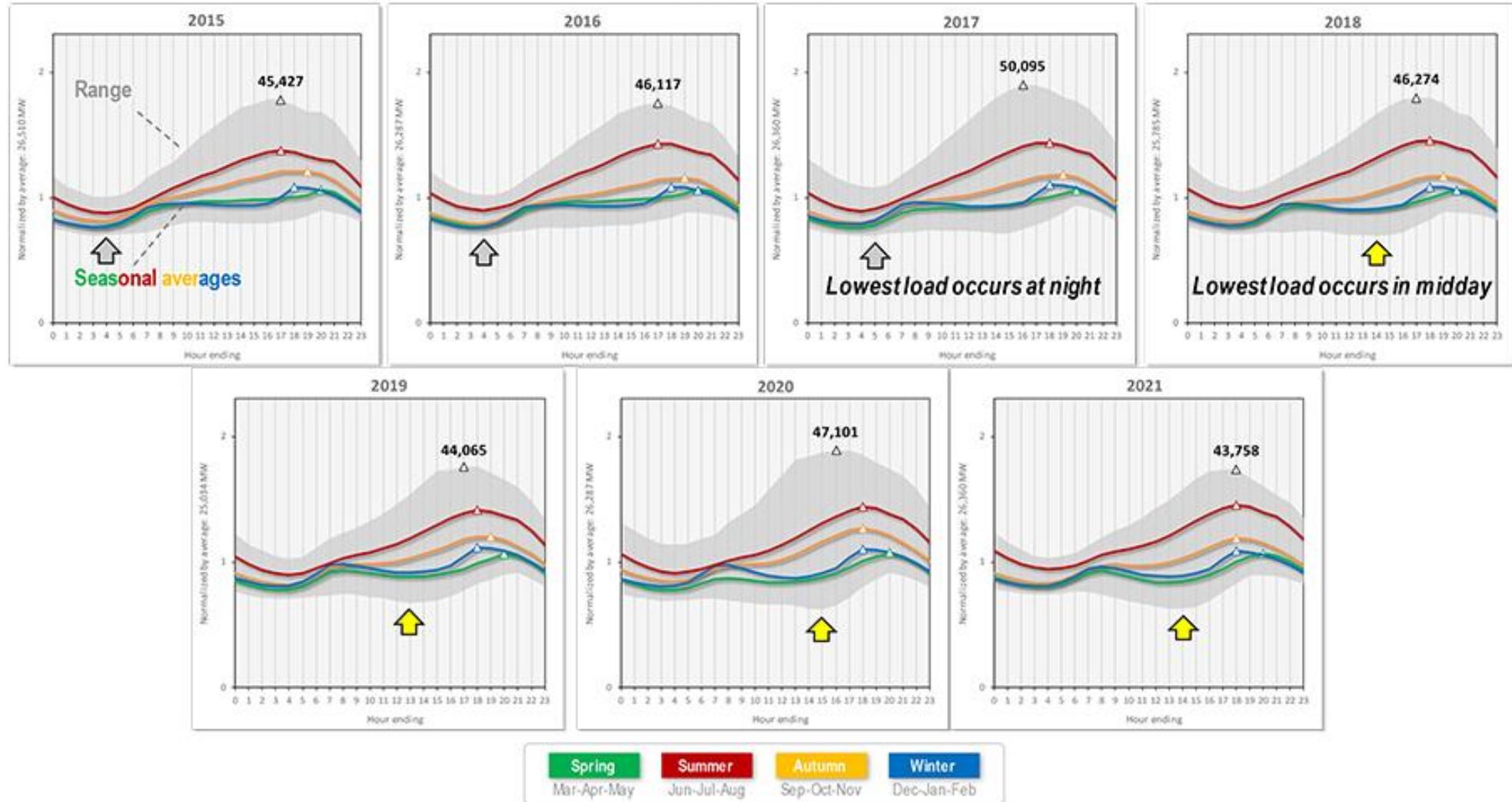


### Future



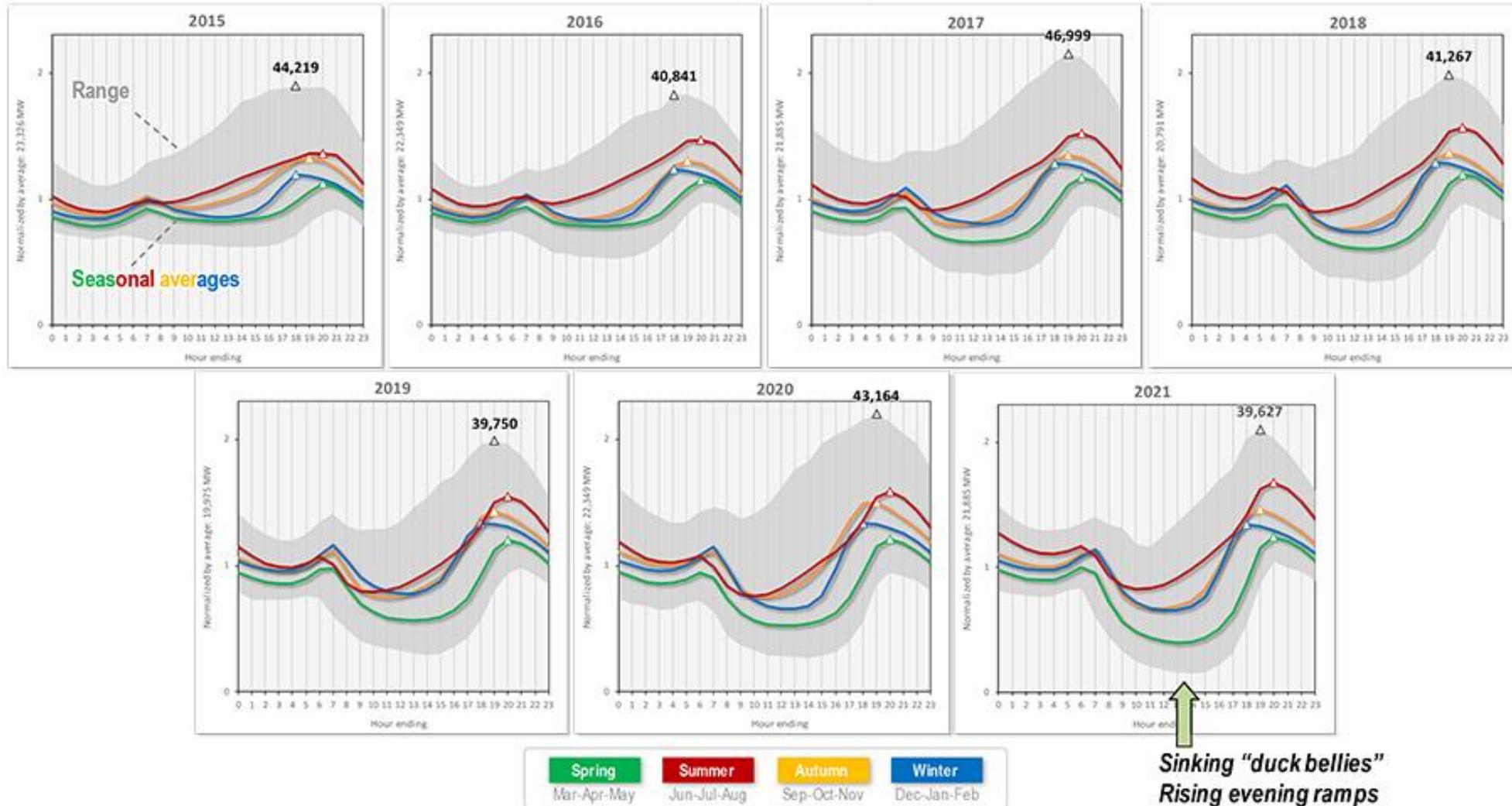
# Renewable Generation Adoption

## CAISO load

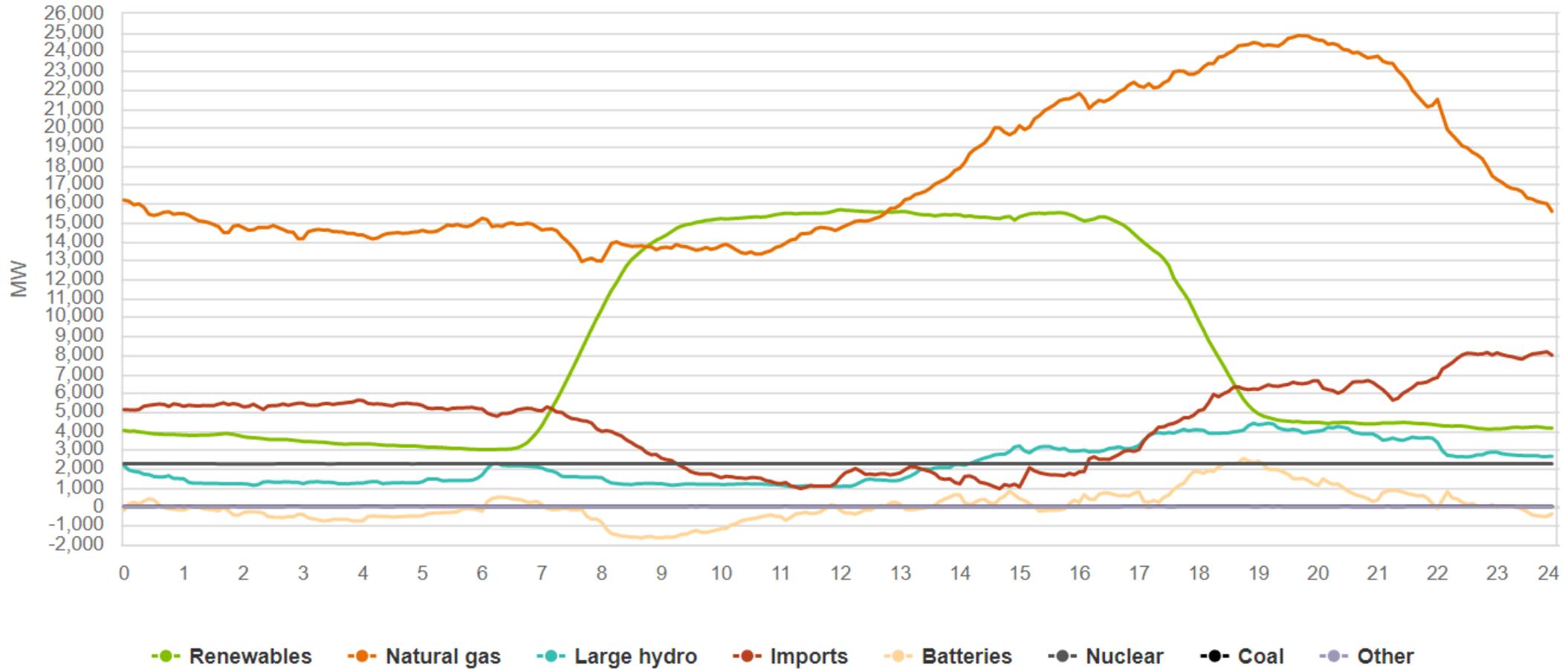


# Renewable Generation Adoption

## CAISO net load

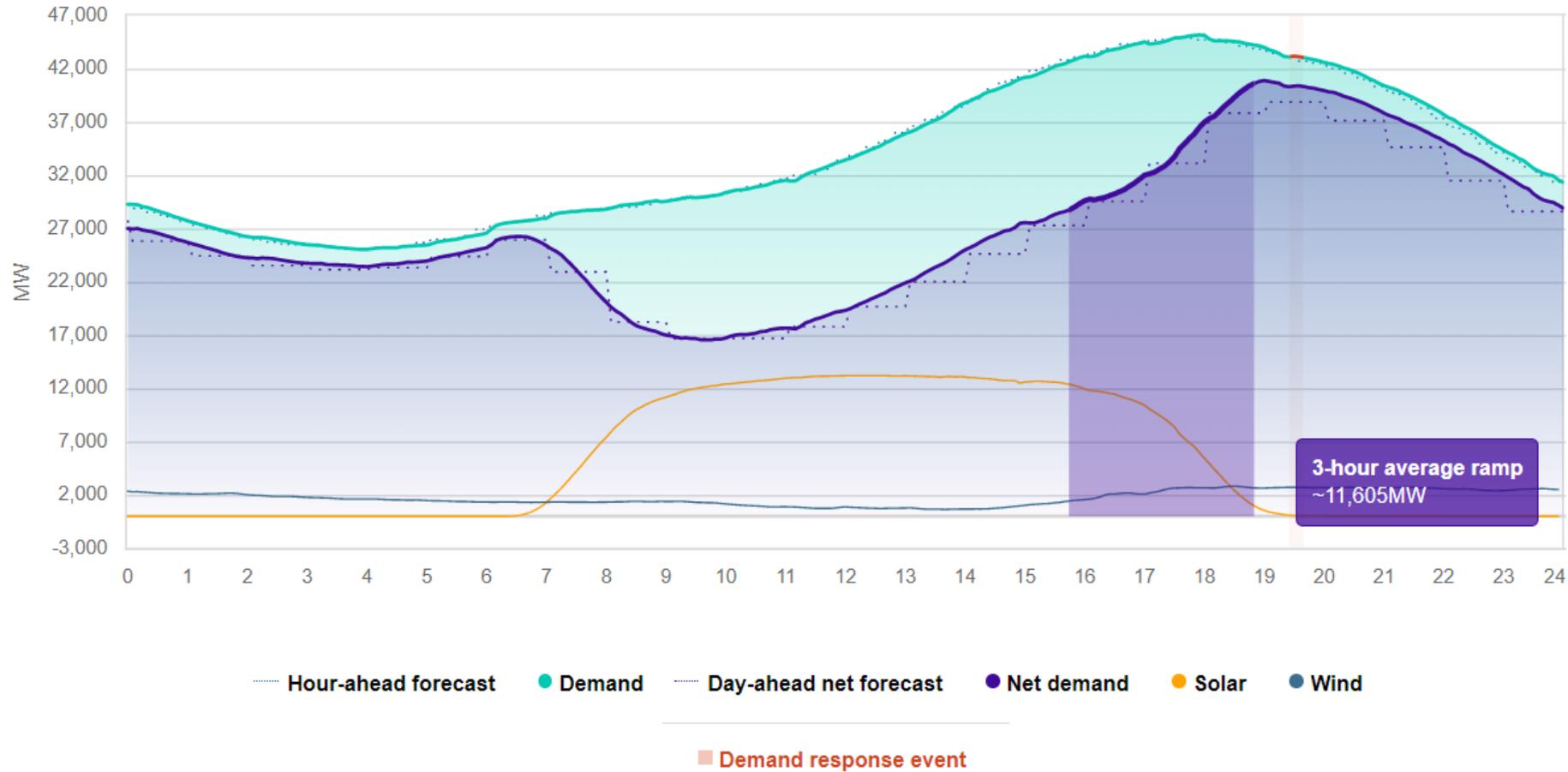


# Example: CAISO Supply Curves (8/31/2022)



Source: California ISO

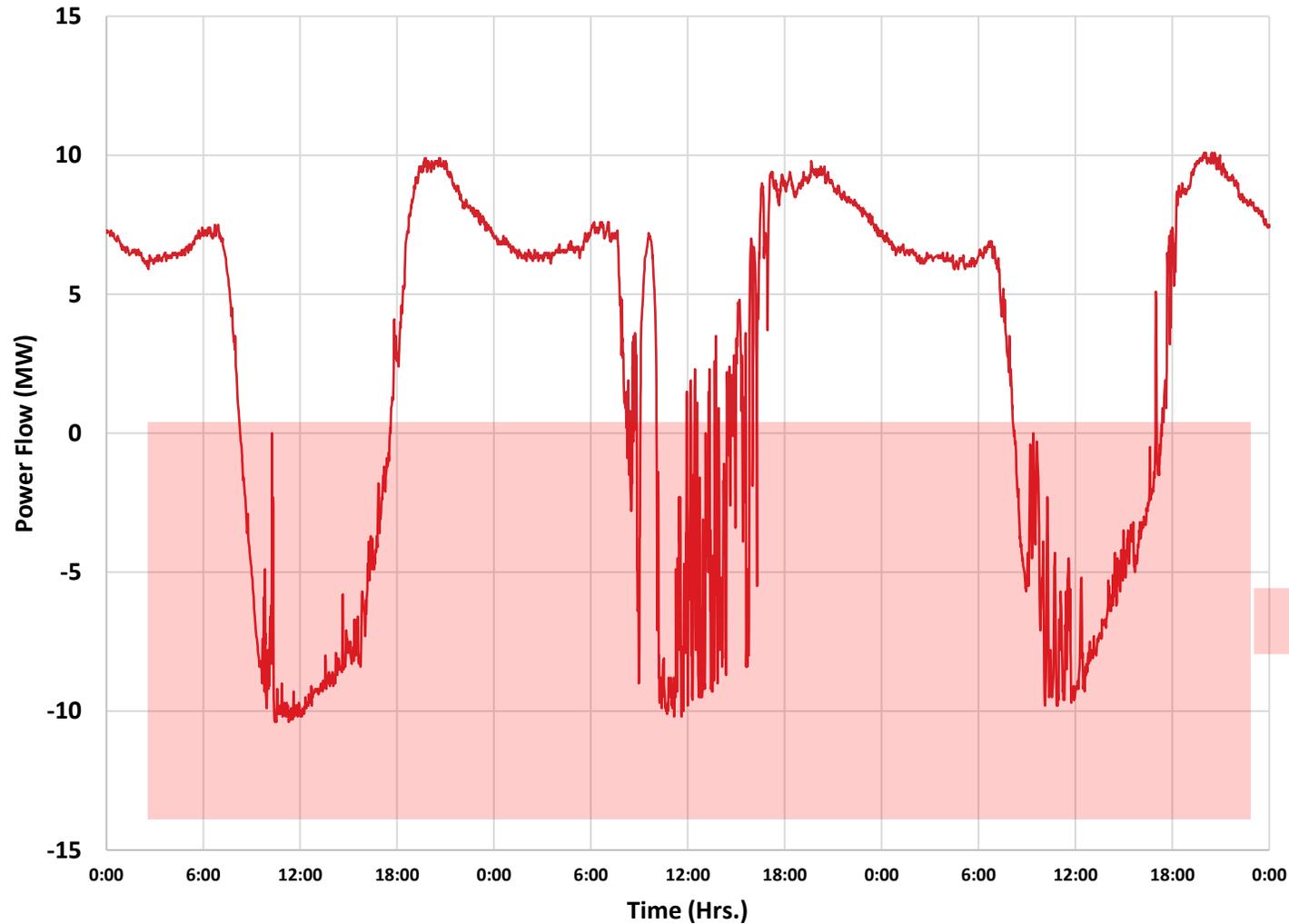
# Example: CAISO Demand Curves (8/31/2022)



Source: California ISO

# Example: Utility-Scale DER Adoption

## Reverse power flow and power flow fluctuations on real distribution substation in Virginia, USA

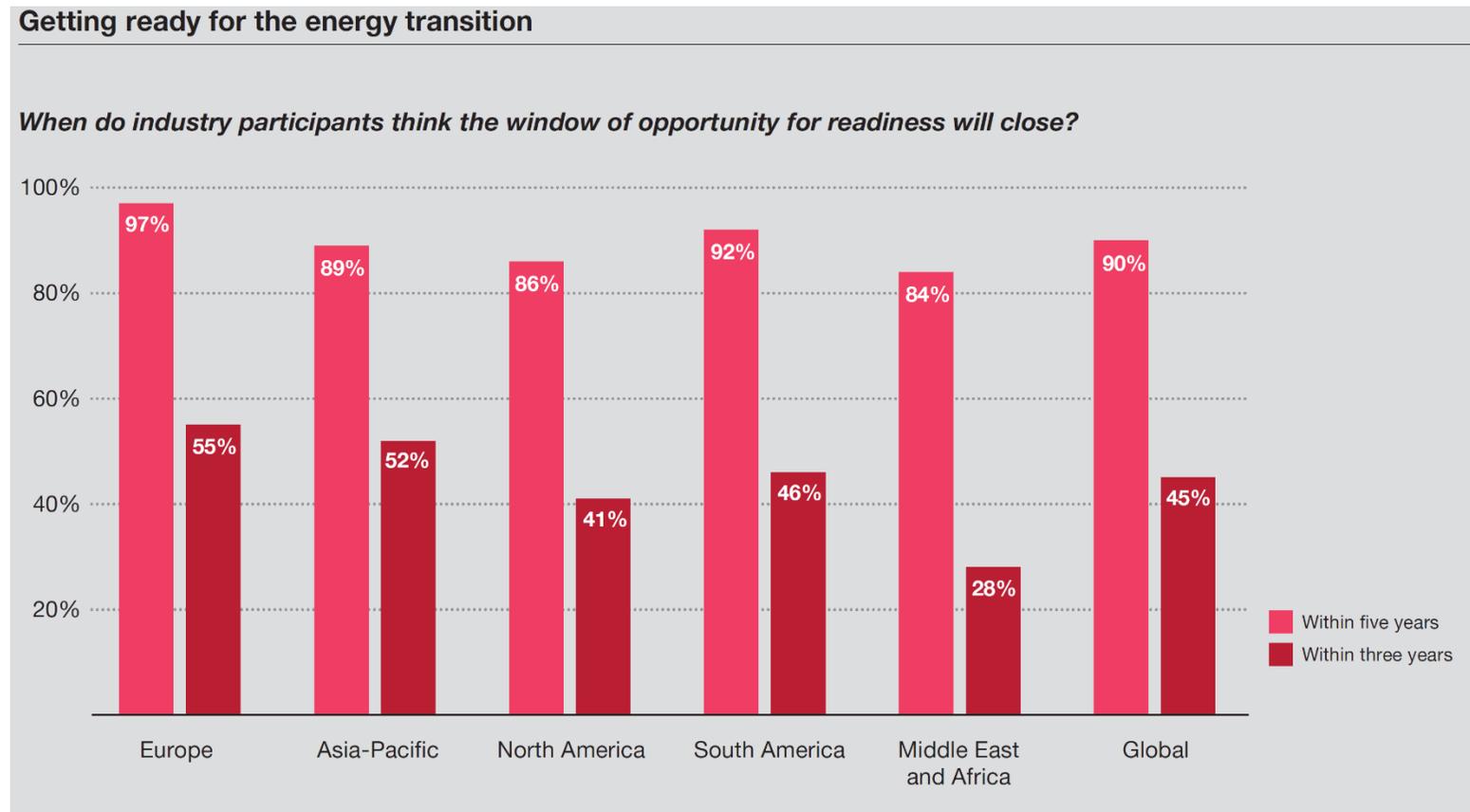


Rapid transition from forward to reverse power flow due to DER output variability

Reverse power flow through substation transformer

# An Industry in Transformation

- Consensus is that the next 5 years will be critical for utilities to modernize and be ready to transition into new business models that involve greater and more active participation of DER and modern end users

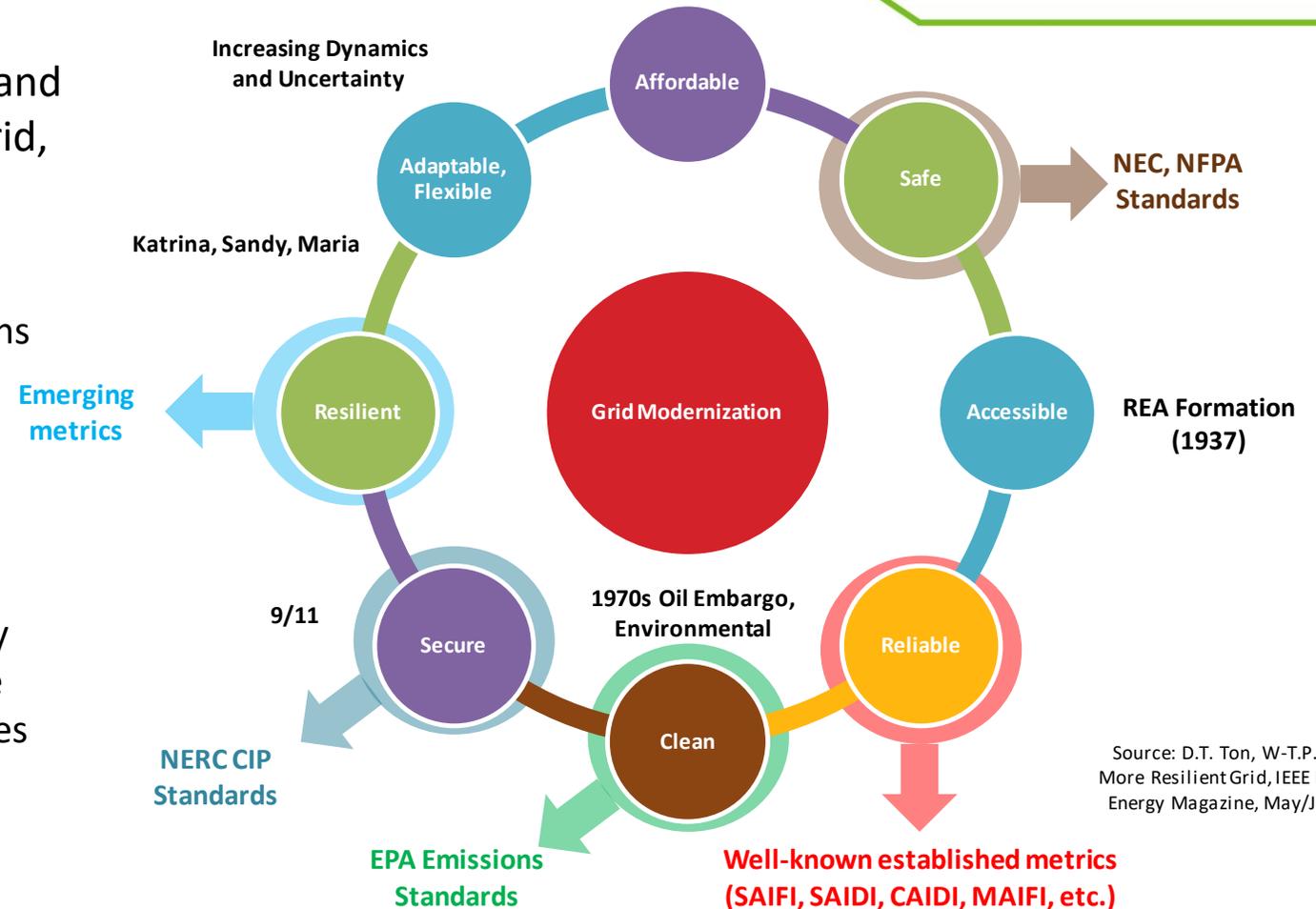


Source: strategy&

# Grid Modernization

## What is Grid Modernization?

- Grid Modernization enables key capabilities and features required for a modern and future grid, including:
  - Greater **RESILIENCE** to hazards of all types
  - Improved **RELIABILITY** for everyday operations
  - Enhanced **SECURITY** from an increasing and evolving number of threats
  - Additional long-term **AFFORDABILITY** to maintain economic prosperity
  - Superior **FLEXIBILITY** to respond to variability and uncertainty of conditions at one or more timescales, including a range of energy futures
  - Increased **SUSTAINABILITY** through energy-efficient and renewable resources

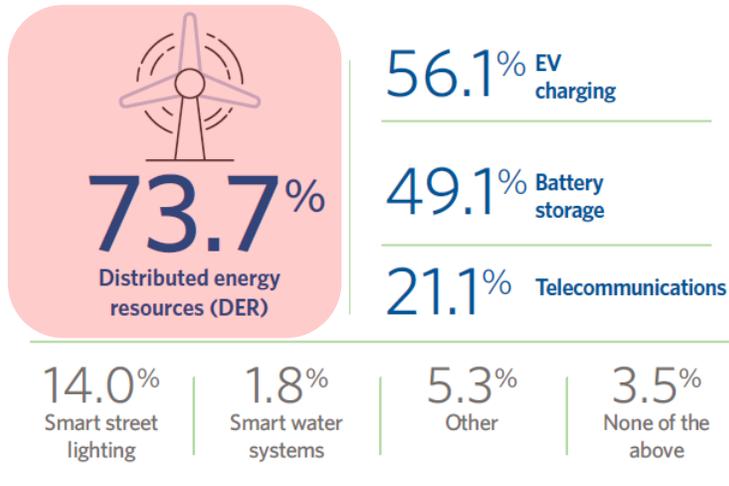


Source: D.T. Ton, W-T.P. Wang, A More Resilient Grid, IEEE Power and Energy Magazine, May/June 2015

# Grid Modernization Drivers

- Key drivers of grid modernization are increasing monitoring, protection, automation and control capabilities, improving reliability and efficiency, and supporting DER integration

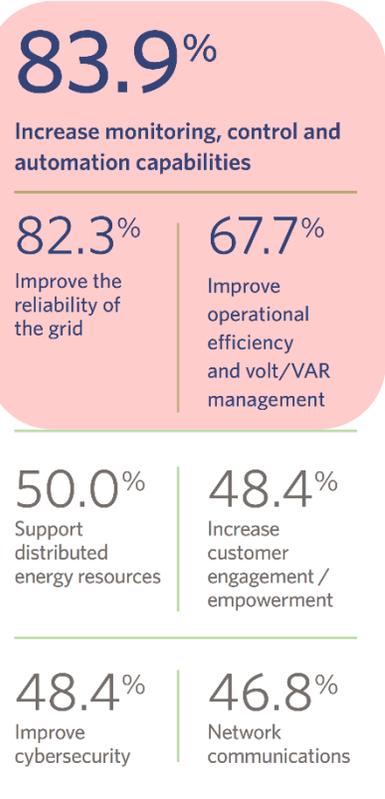
What are the most important applications YOUR distribution infrastructure will have to support in the next three to five years?  
(Select up to three of the following)



Source: B&V

What are the drivers for modernizing YOUR electric distribution systems?

(Select all that apply)



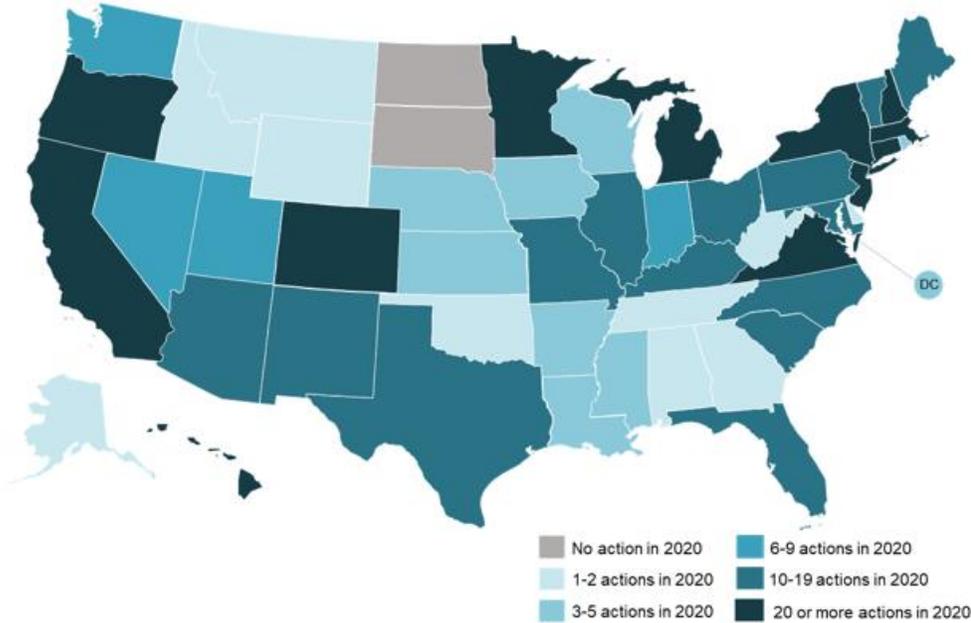
GT40 value chain presence

Region	Company	DER	E-mobility	Smart home	CIES
<b>North America</b>					
Ameren		●	●	●	●
AEP		●	●	●	●
CenterPoint Energy		●	●	●	●
CMS Energy		●	●	●	●
ConEdison		●	●	●	●
Dominion Energy		●	●	●	●
DTE Energy		●	●	●	●
Duke Energy		●	●	●	●
Edison International		●	●	●	●
Entergy		●	●	●	●
Eversource Energy		●	●	●	●
Exelon		●	●	●	●
FirstEnergy		●	●	●	●
Fortis		●	●	●	●
NextEra Energy		●	●	●	●
PG&E		●	●	●	●
PPL		●	●	●	●
PSEG		●	●	●	●
Sempra Energy		●	●	●	●
Southern Company		●	●	●	●
WEC Energy		●	●	●	●
Xcel Energy		●	●	●	●
<b>Europe</b>					
RWE		●	●	●	●
E.ON		●	●	●	●
EDP		●	●	●	●
EDF		●	●	●	●
Enel		●	●	●	●
Engie		●	●	●	●
Fortum		●	●	●	●
Iberdrola		●	●	●	●
National Grid		●	●	●	●
Naturgy		●	●	●	●
Orsted		●	●	●	●
SSE		●	●	●	●
<b>Asia-Pacific</b>					
AGL Energy		●	●	●	●
CLP Holdings		●	●	●	●
Hong Kong and China Gas		●	●	●	●
Korea Electric Power		●	●	●	●
Power Assets Holdings		●	●	●	●
Tenaga Nasional		●	●	●	●

● High activity    ● Moderate activity    ● Limited activity

Source: strategy&

# Grid Modernization Activities – U.S.



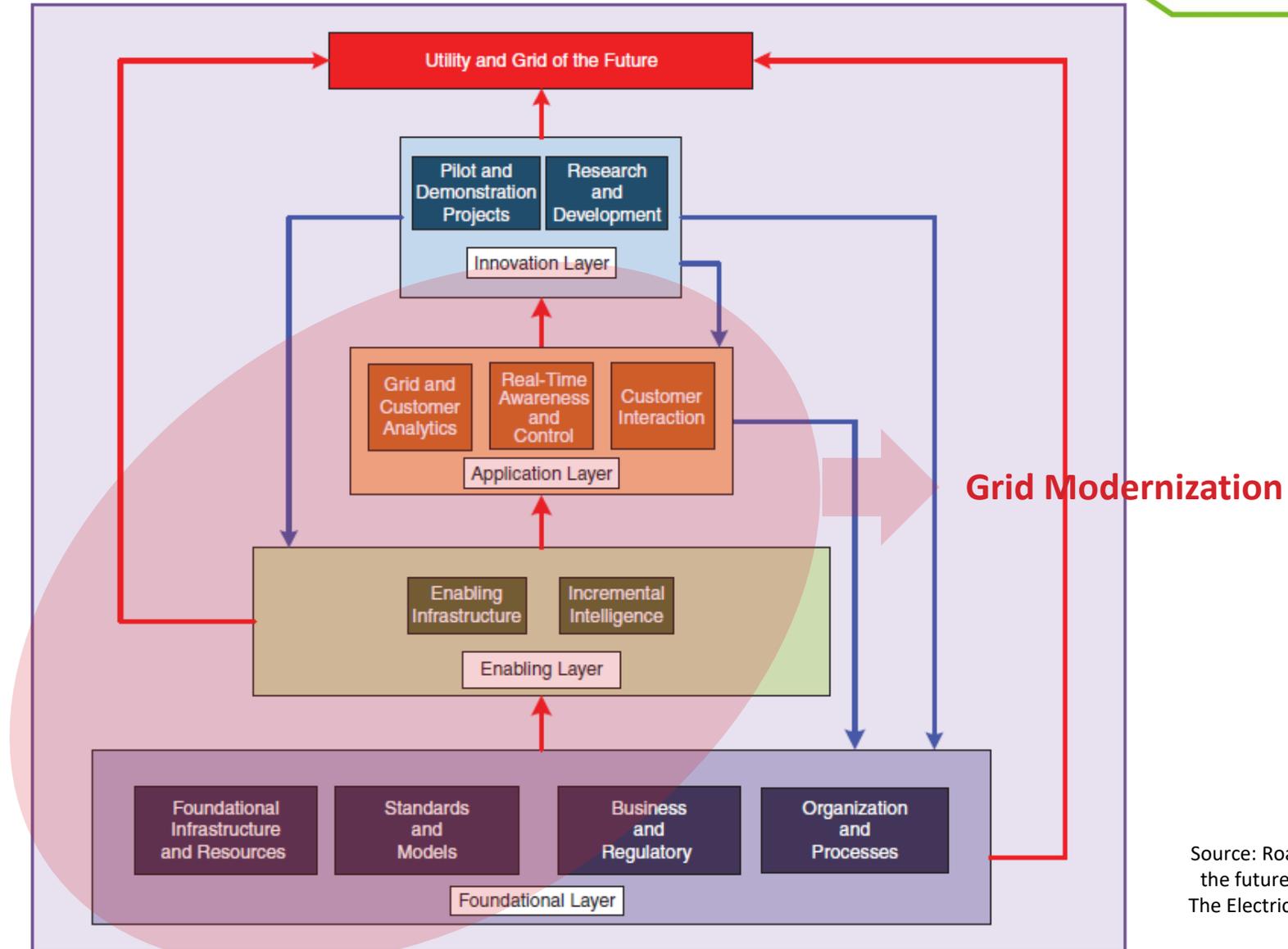
Utility Name	Distribution Infrastructure Hardening & Resilience	Advanced Grid Technologies	Transmission Infrastructure Hardening & Resilience	AMI	DER
Ameren Illinois	X	X		X	
Commonwealth Edison (Exelon)	X	X		X	
Consumers Energy	X	X	X		X
DTE Energy	X	X		X	X
Duke Energy Indiana	X	X	X		
First Energy Ohio	X		X		
Northern States Power Company (Xcel)		X			X
Ohio Power Company	X				X
Vectren South	X	X	X		X
Central Maine Power (AVANGRID)		X		X	
Eversource Energy		X			X
National Grid		X		X	X
PECO (Exelon)	X				X
PSE&G	X	X	X		
Duke Energy Carolinas	X	X	X	X	X
Entergy Arkansas				X	
Pepco (Exelon)	X				
Austin Energy		X		X	X
Hawaiian Electric		X		X	X
Public Service Company of Colorado (Xcel)		X		X	
Southern California Edison	X	X			X
<b>Total</b>	<b>13</b>	<b>16</b>	<b>6</b>	<b>10</b>	<b>12</b>

Source: S. Sergici, Grid Modernization: Policy, Market Trends, and Directions Forward, 4th Annual Grid Modernization Forum, May, 2019

Source: The 50 States of Grid Modernization



# Conceptual Framework for Utility of the Future



Source: Roadmaps for the utility of the future, JR Agüero, A Khodaei  
The Electricity Journal 28 (10), 7-17

# Grid Modernization Roadmap

## What are the key steps to a grid modernization roadmap?

- A Grid modernization roadmap allows implementing these requirements and capabilities in a practical manner based on the utility's goals and vision
- Steps to developing a grid modernization roadmap:
  - Identify key components of utility's vision and goals
  - Develop preliminary list of key programs considered to reach utility's goals
  - Benchmark existing utility practices and preliminary list of programs against industry trends and best practices
  - Conduct benefit-cost analysis to help prioritize programs
  - Develop a final list of prioritized programs for grid modernization
  - Identify "foundational" programs required for subsequent programs to align implementation schedule
  - Create grid modernization roadmap



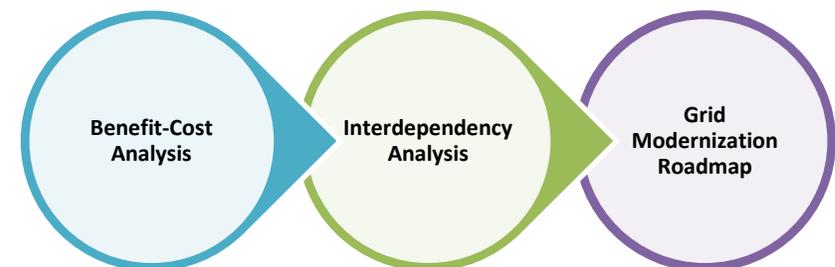
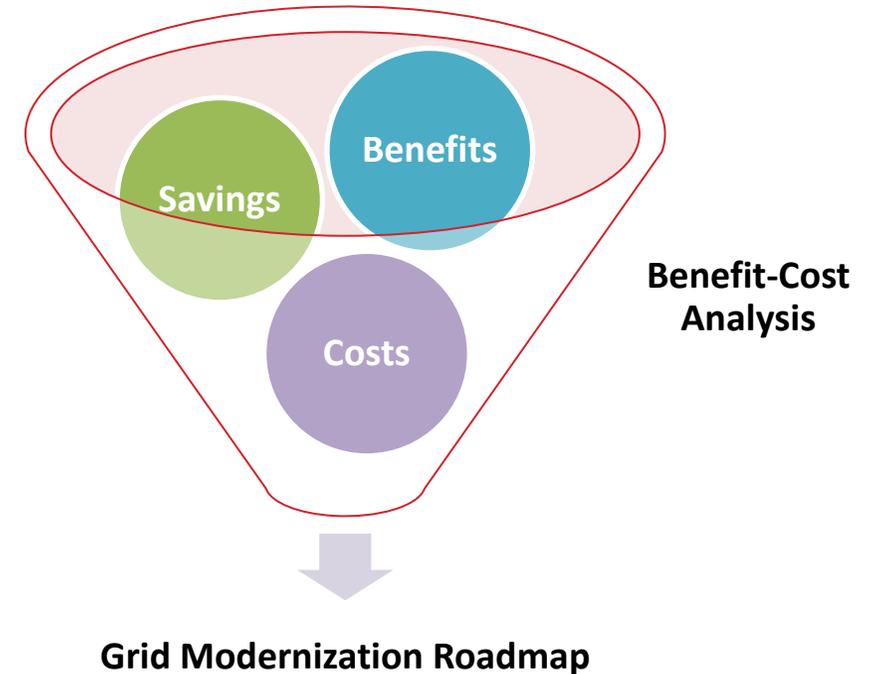
# Examples of Grid Modernization Programs

- Programs are defined initiatives to realize a modern grid
  - Includes all initiatives to reach utility and societal goals
    - Includes foundational areas such as telecommunications, GIS, etc.
    - Includes advanced areas such as grid analytics
- To prioritize programs, they are evaluated in terms of:
  - Cost to implement
  - Benefits to utility and society
- Foundational programs are those required for implementation of other programs, such as:
  - AMI smart meters for outage management
  - Telecommunications systems for real-time monitoring and control



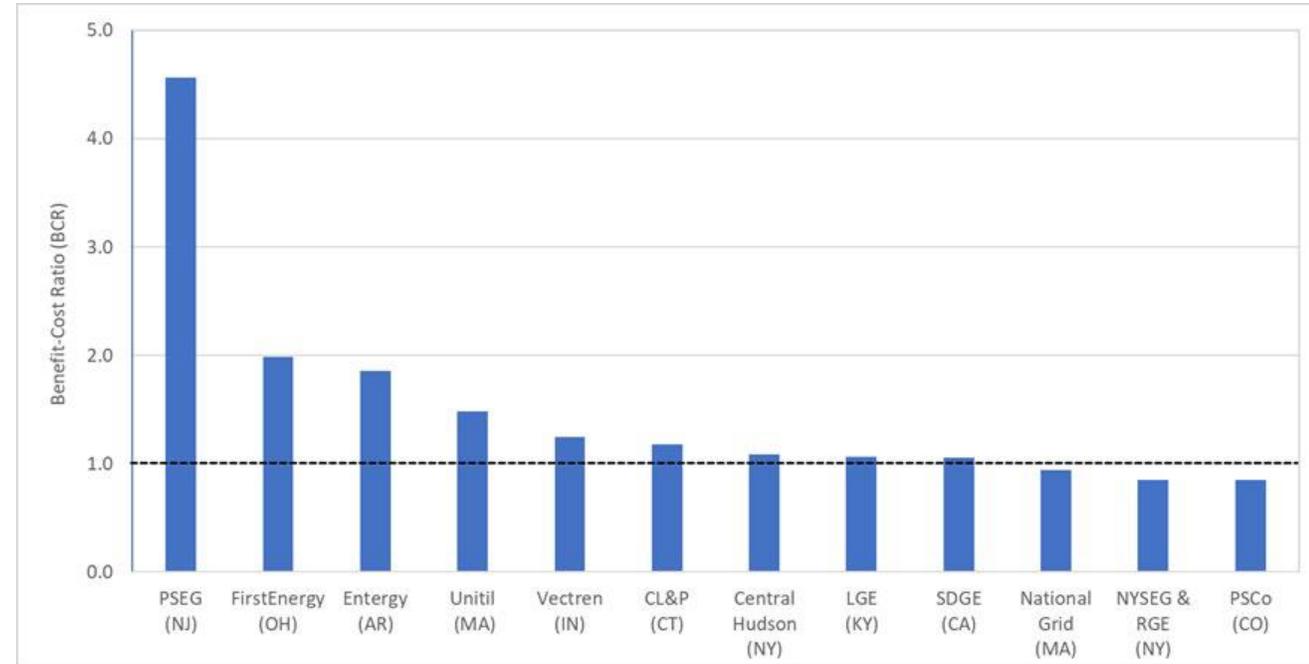
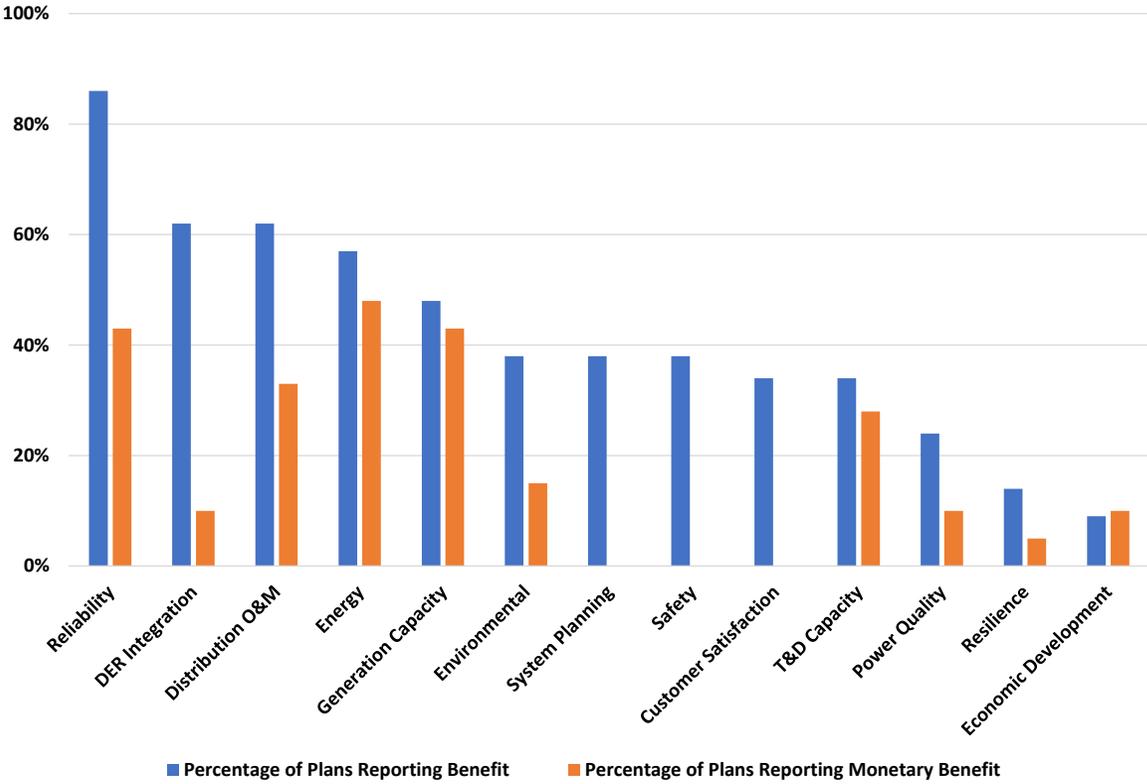
# Program Prioritization and Scheduling

- Each program is evaluated in terms of:
  - **Benefits**—Benefits from implementing the program
  - **Capital costs**—Initial, fixed, one-time investment required to implement program
  - **O&M costs (annual)**—Recurring costs, including operations, maintenance, licenses, etc.
  - **Anticipated savings**—Expected savings derived from program implementation, either one-time or recurrent
  - **Assumptions**—Relevant assumptions used to calculate costs (e.g., unit costs, customer base, etc.)
- Benefit-cost ratios and interdependencies are analyzed to prioritize and schedule program implementation (e.g., foundational programs are implemented first)
- Results are used to develop grid modernization roadmap



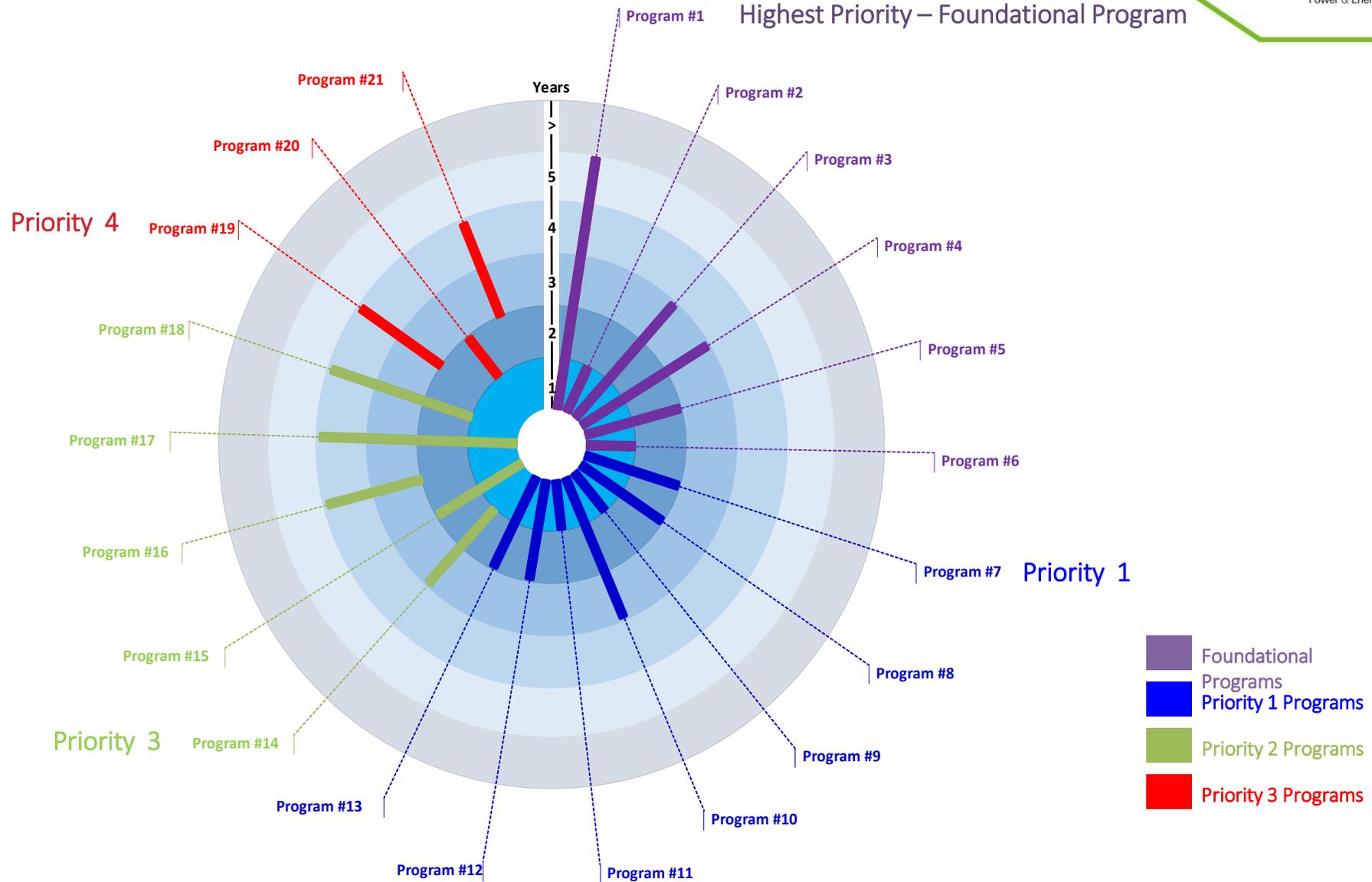
# Benefits and Benefit/Cost Ratios Reported by Recent Studies

Type and Frequency of Benefits

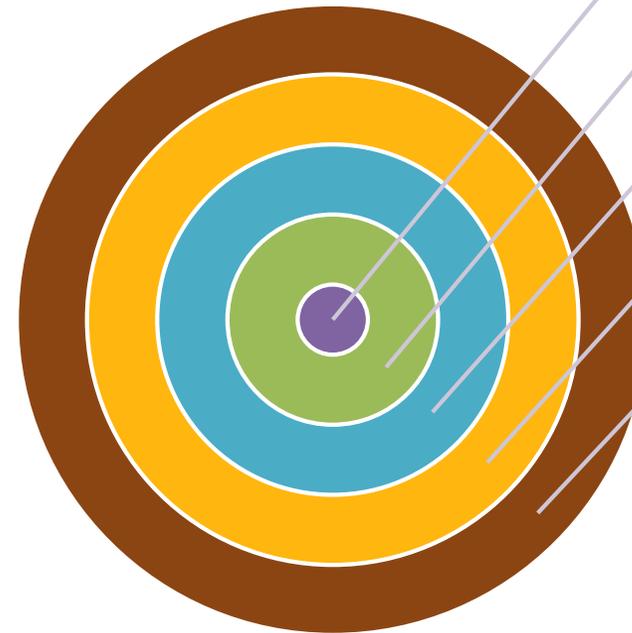


Source: T. Woolf et. al, Benefit-Cost Analysis for Utility-Facing Grid Modernization Investments: Trends, Challenges, and Considerations, Feb. 2021

# Grid Modernization Roadmap



# Real-Time Distribution Systems Operations



Foundational infrastructure (sensors, controllers, smart meters, DER, switching & protective devices, behind-the-meter IEDs)

Enabling infrastructure (telecommunications and IT systems)

Distribution Automation (feeder, substation, home, building automation)

Enterprise Systems (ADMS, OMS, CIS, MDMS, DERMS, etc.)

Real-Time Distribution System Operations

# Sensors and Grid Edge IEDs/Switchgear



**ConnectDER: behind-the-meter  
DER monitoring device**



**MM3: advanced line sensor and  
Fault Circuit Indicator (FCI)**



**VacuFuse: grid edge (service  
transformer) self-resetting  
interrupter**



**Optanode: distribution  
transformer monitoring device**

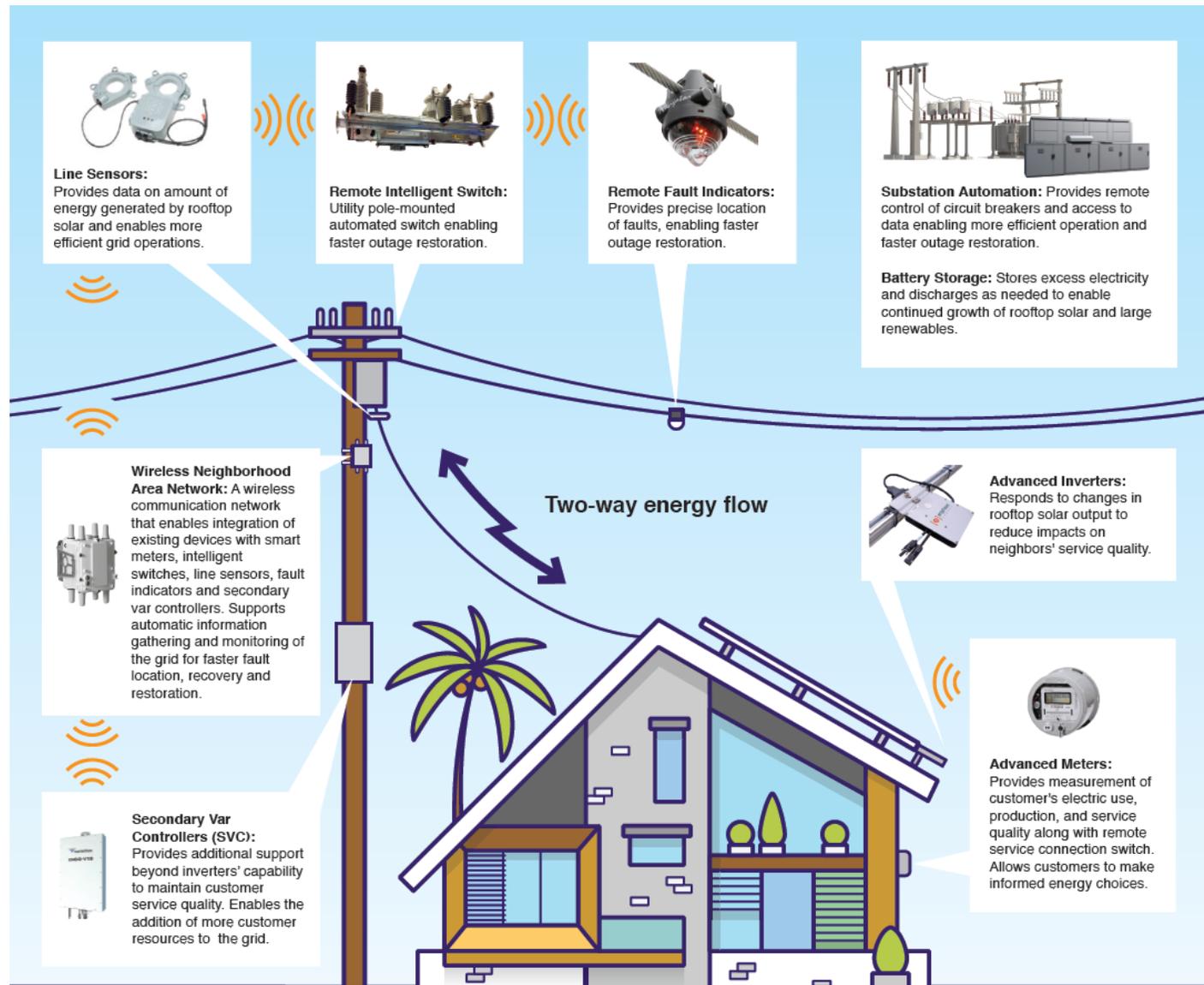


**micro-PMU: Phasor  
Measurement Unit (PMU) for  
distribution applications**

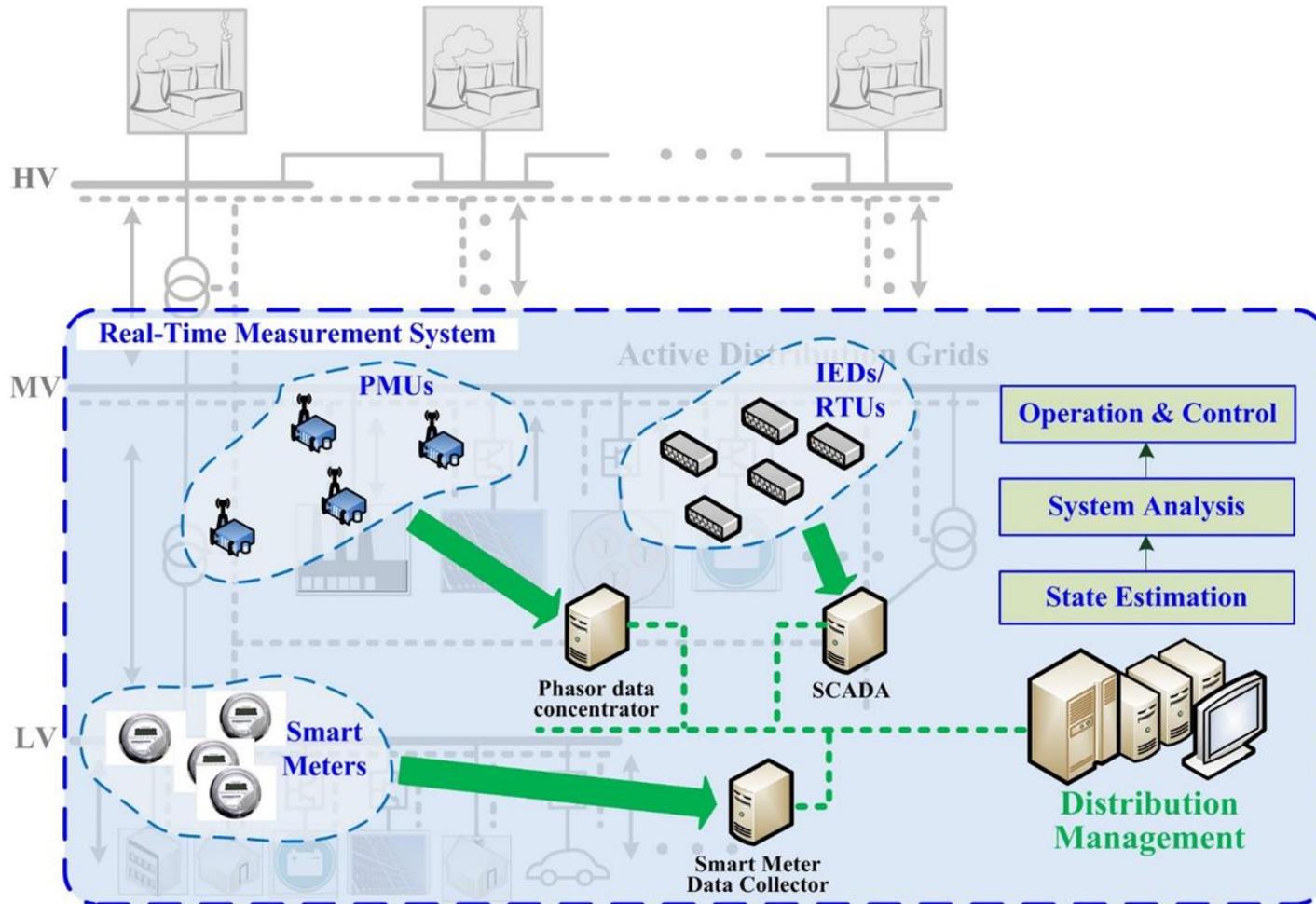


**Engo: low-voltage dynamic volt-  
Var control device**

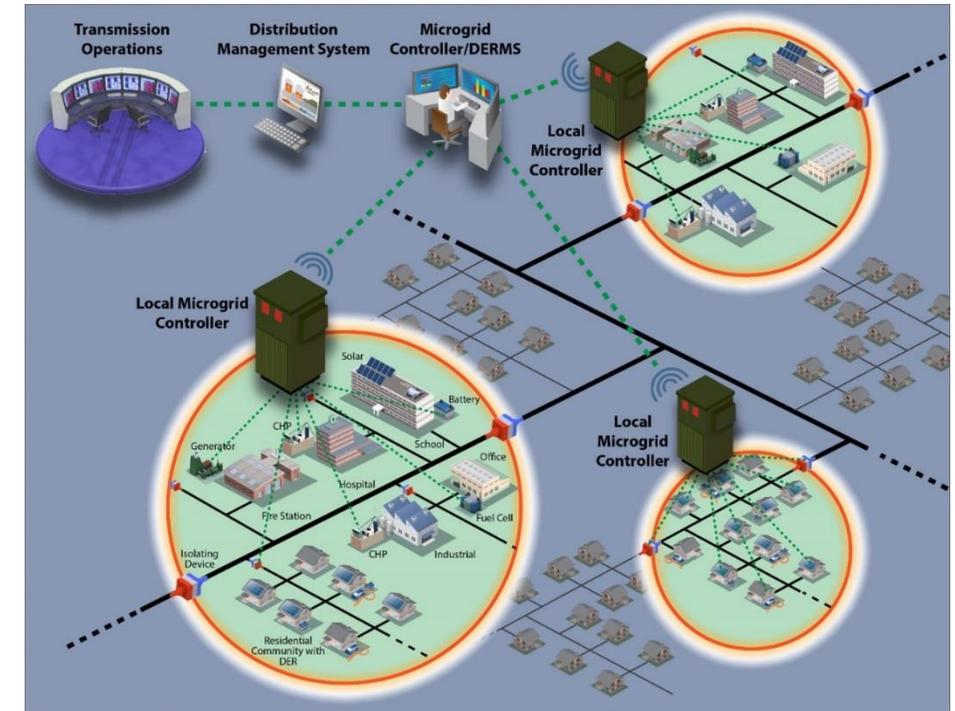
# Grid Edge Monitoring and Control



# ADMS and Microgrids

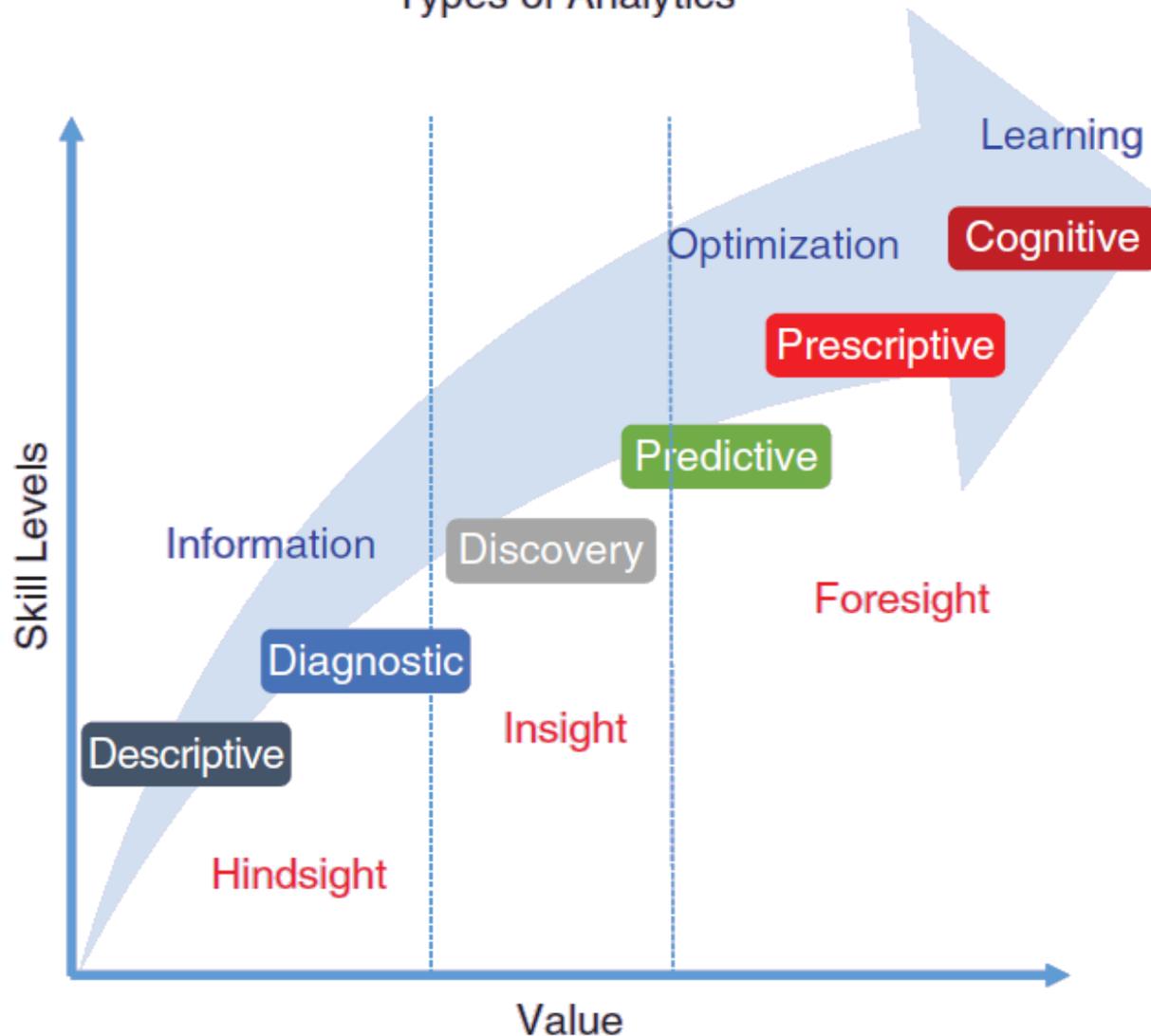


Source: RTWH Aachen



Source: EPRI

## Types of Analytics



- **Descriptive analytics:** describe past performance of distribution grid by analyzing historical data, e.g., use service interruption records to calculate reliability indices (SAIFI, CAIDI, SAIDI, etc.)
- **Diagnostic analytics:** diagnose root-cause of distribution system performance, e.g., to identify the root-cause of service interruptions and equipment outages
- **Discovery analytics:** provide additional insights about distribution grid performance to identify unknown issues, particularly in areas of the grid that traditionally have had limited real-time visibility and awareness, e.g., assess grid edge performance
- **Predictive analytics:** estimate expected distribution grid performance based on historical and real-time data, e.g., estimate potential equipment overloads that might occur as a consequence of extreme weather patterns
- **Prescriptive analytics:** use historical and real time data along with system analysis capabilities to provide recommendations regarding preventive measures that would allow to preclude or minimize performance disruptions, e.g., advice on most resilient system configuration to withstand major weather events.
- **Cognitive Analytics:** Use computational intelligence technologies inspired by human learning (e.g., artificial intelligence techniques such as machine learning, deep learning, etc.) to collect, process, analyze, and manage qualitative (e.g., natural language) and quantitative data from diverse sources. Cognitive analytics may be used to develop adaptive self-learning solutions whose accuracy improves over time.

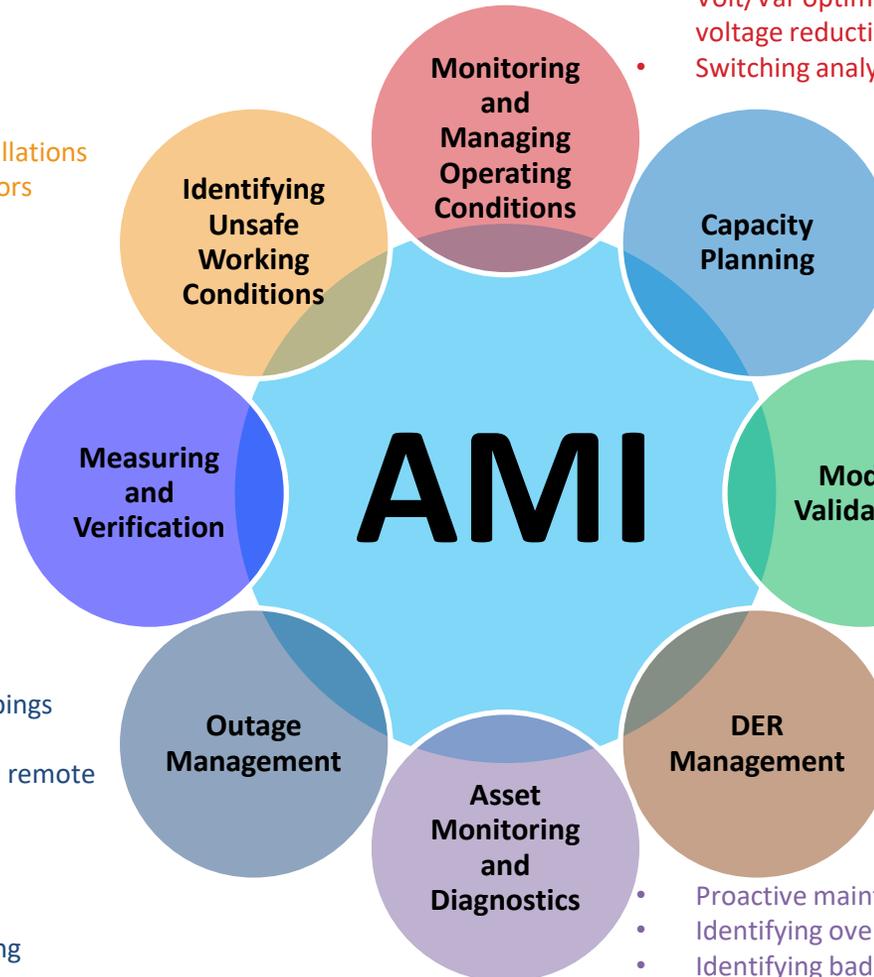
# AMI – How Utilities are Using AMI Beyond Meter Reading

These benefits or use cases cannot be achieved by merely installing the network and meters. Many will require integration with ADMS or other software solutions that allow the data to be analyzed, visualized and paired with other data.

- Identifying unregistered PV installations
- Identifying downed live conductors

- Reduce/eliminate estimated reads
- Revenue protection
- Reliability metrics
- Demand response verification/thermostat programs
- Demand response and load shifting for EV charging
- Enables new rate options (e.g., time of use and prepay)

- Verifying outages through meter pings
- Estimating restoration times
- Service order automation through remote connect/disconnect
- Identifying outage locations
- Determining cause of outage
- Customer communications
- Determine fire-caused outage using temperature data
- Identifying which phase of wires are down



- Improved power quality
- Validation of voltage compliance
- Visualizing the data/Increased system visibility
- Volt/Var optimization (VVO) and conservation voltage reduction (CVR)
- Switching analysis

- Load forecasting and projected growth
- Equipment investments and upgrades (e.g., distribution transformers, substation transformers, etc.)
- Line loss studies
- Circuit phase load balancing

- Validation of primary circuit model
- GIS and network connectivity corrections
- Meter to transformer mapping/transformer load management
- Phase identification and mapping

- Identifying unregistered customer-owned systems
- Understanding the impacts of customer-owned systems
- Determining DER capacity
- Informing policy

- Proactive maintenance
- Identifying over and underloaded transformers
- Identifying bad distribution voltage regulators and distribution capacitors
- Identifying hot sockets

Source: Voices of Experience, Leveraging AMI Networks and Data, U.S. DOE

# Electrification

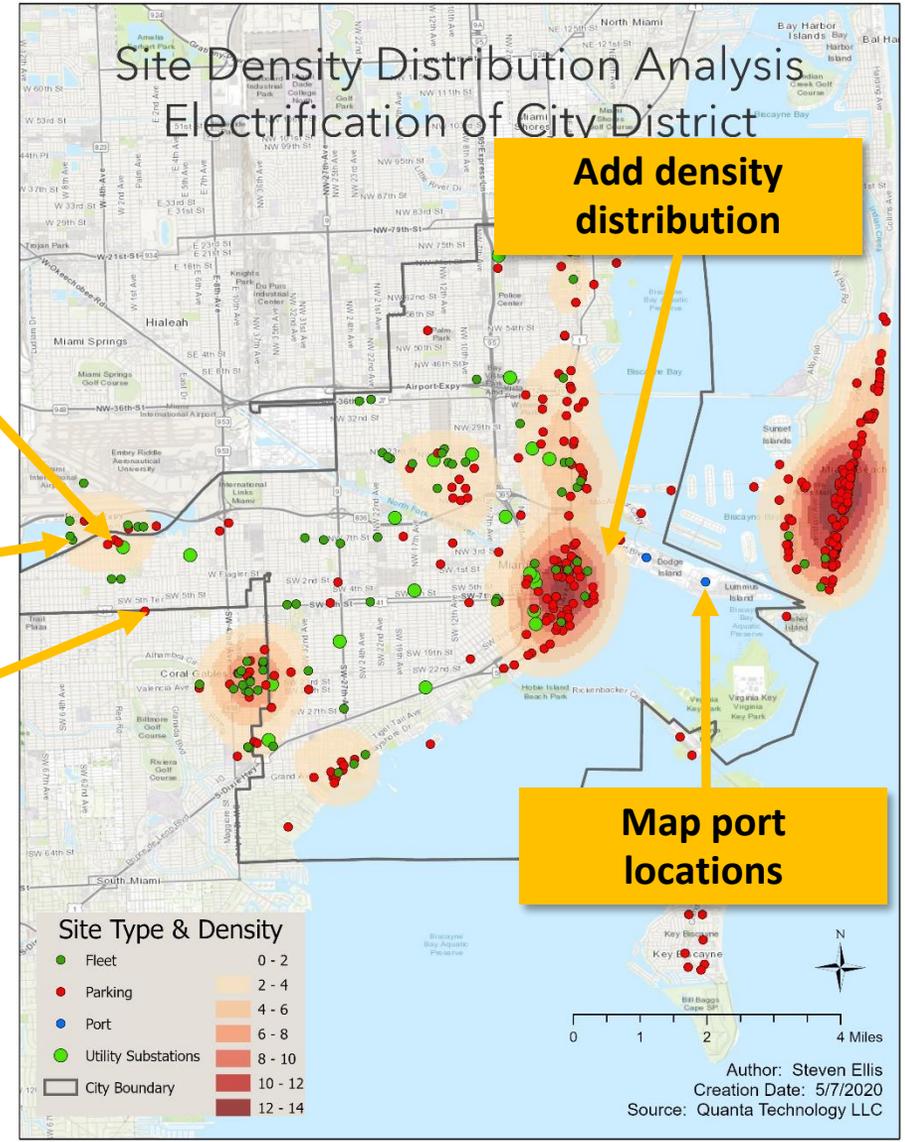
Methodology to localize future, projected charger load impacts on substations in utility territories:

1. Identify and map utility substations via GPS or latitude/longitude coordinates
2. Identify key commercial, retail, and fleet specified territory then estimates corresponding charger load growth
3. Facilities are linked to specific substation algorithm
4. New load growth from electrification is substation rating and compared against
5. Substations are then ranked against their max rating to determine whether substation is at risk due to load

**Map substations**

**Map fleet locations**

**Map parking locations**



# Holistic Planning – From “Snapshot” to Performance Planning



## Data & Grid Analytics

- Assess and calculate system performance using accurate, up-to-date, high resolution and abundant data at customer, service transformer and feeder level, and reduce reliance on assumptions and heuristics

## Temporal & Spatial Analysis

- Move away from snapshot substation-level analyses (e.g., annual peaks, substation transformers and feeder mains) to time-series spatial analysis at feeder section and service transformer level (high resolution/granularity temporal/spatial analysis)

## Holistic Planning

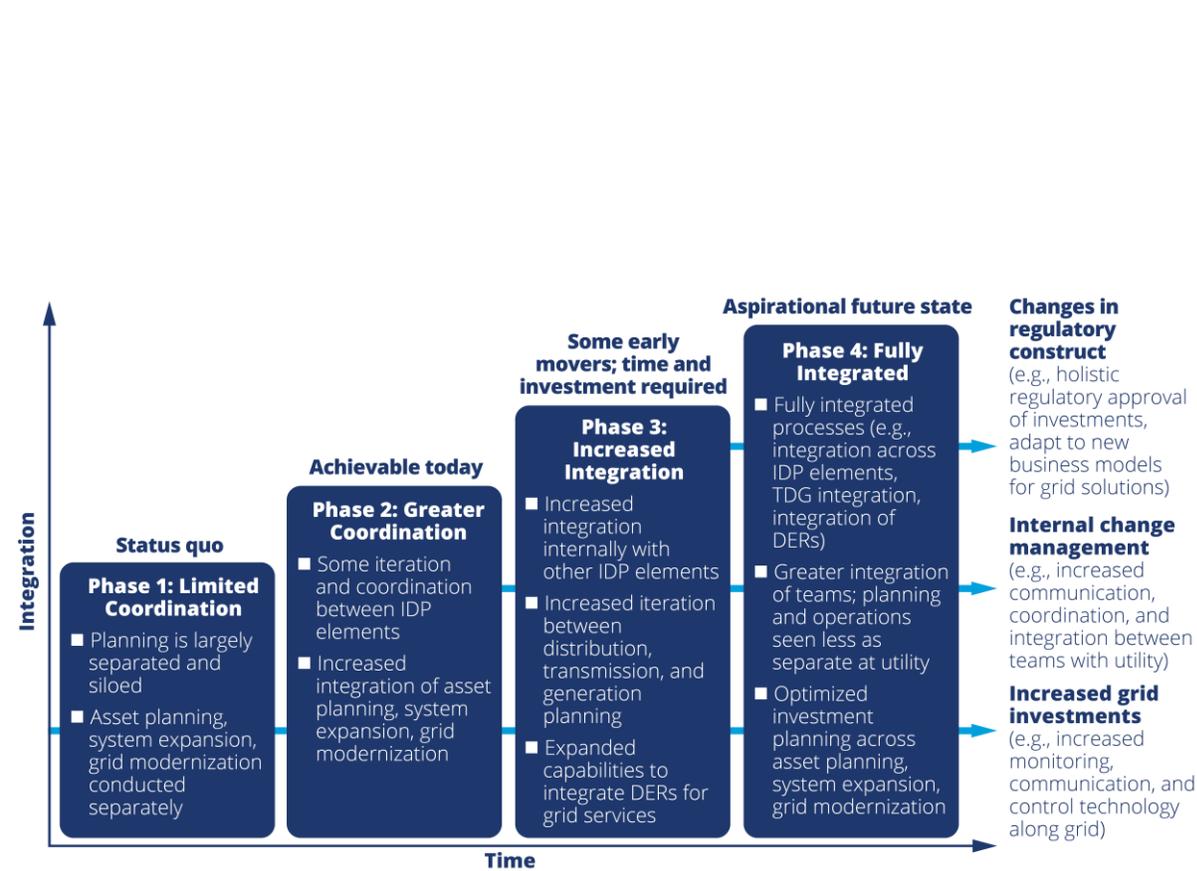
- Holistic approach that considers all distribution planning and engineering aspects together, rather than decoupled (capacity planning, reliability, protection, automation, volt-VAR control, asset management, DER, NWA, and microgrids)

## Planning & Operations Convergence

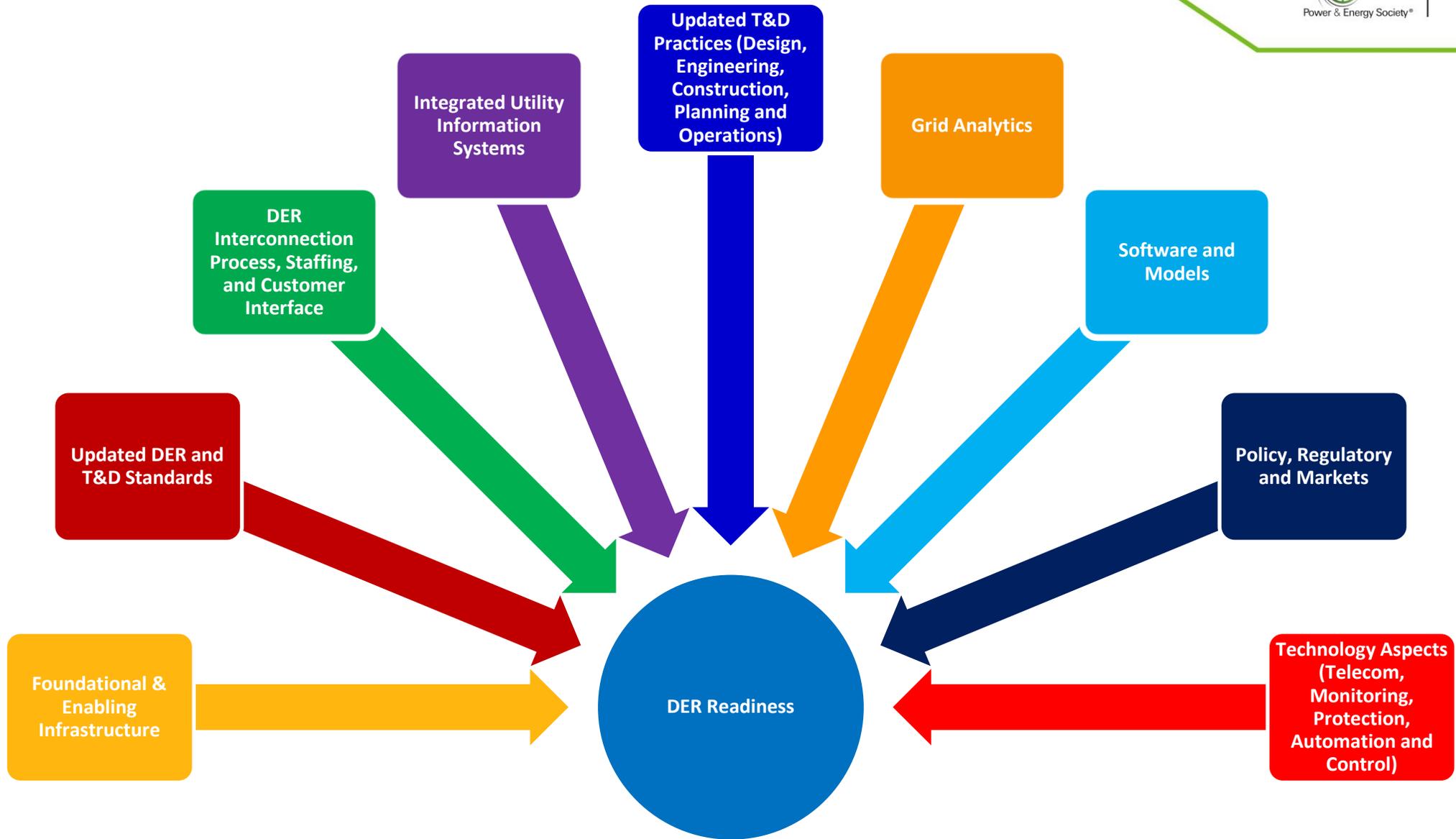
- DER proliferation is blurring the traditional boundaries between T&D systems, and between planning and operations of these systems, and leading to T&D planning and T&D operations convergence. This requires the development of new methodologies and new solutions



# IDP Roadmap Example – SEPA

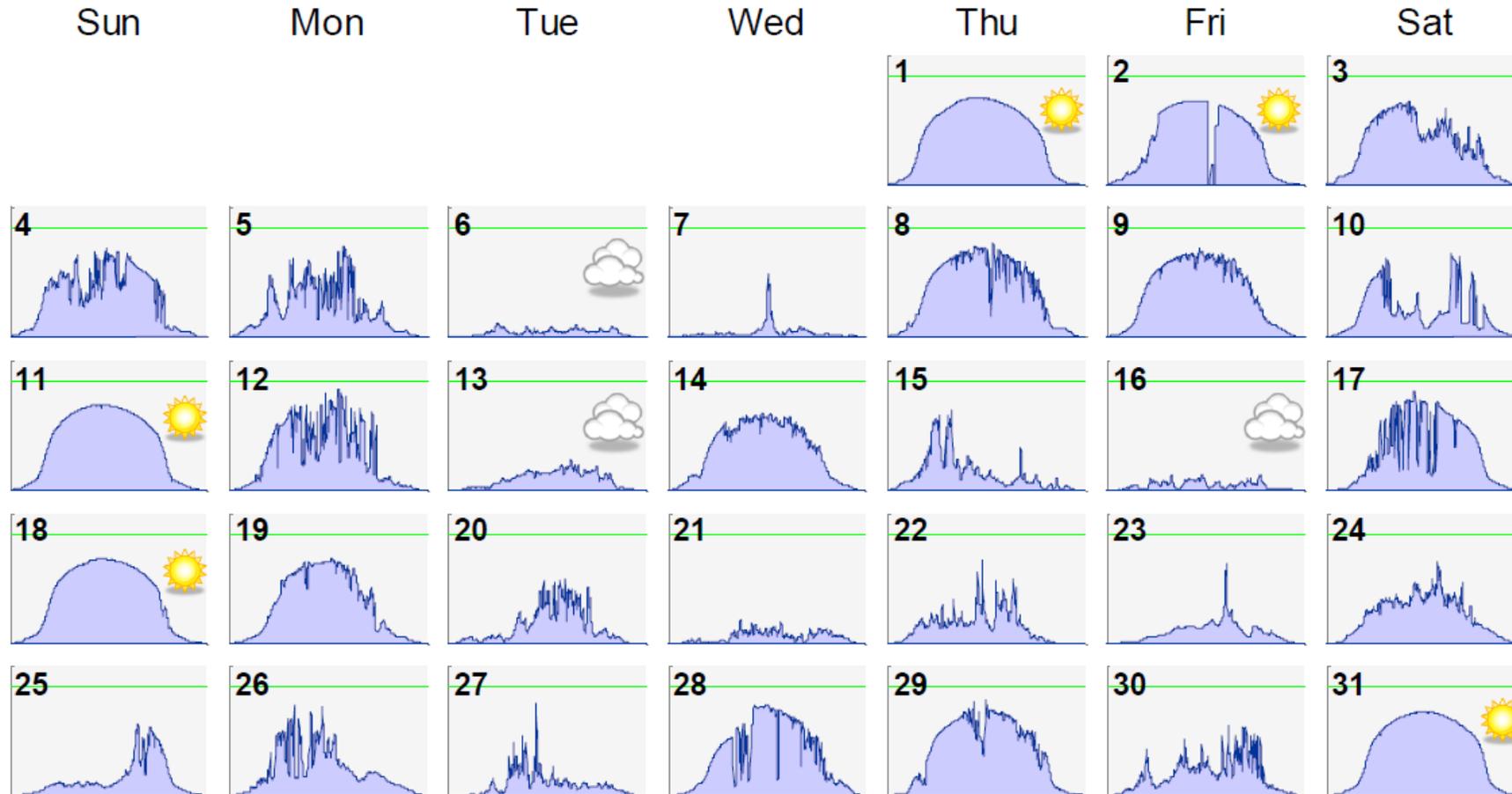


# DER Readiness Concept



# PV DG Integration Challenges

## December 2011: Tennessee 1MW PV System Power



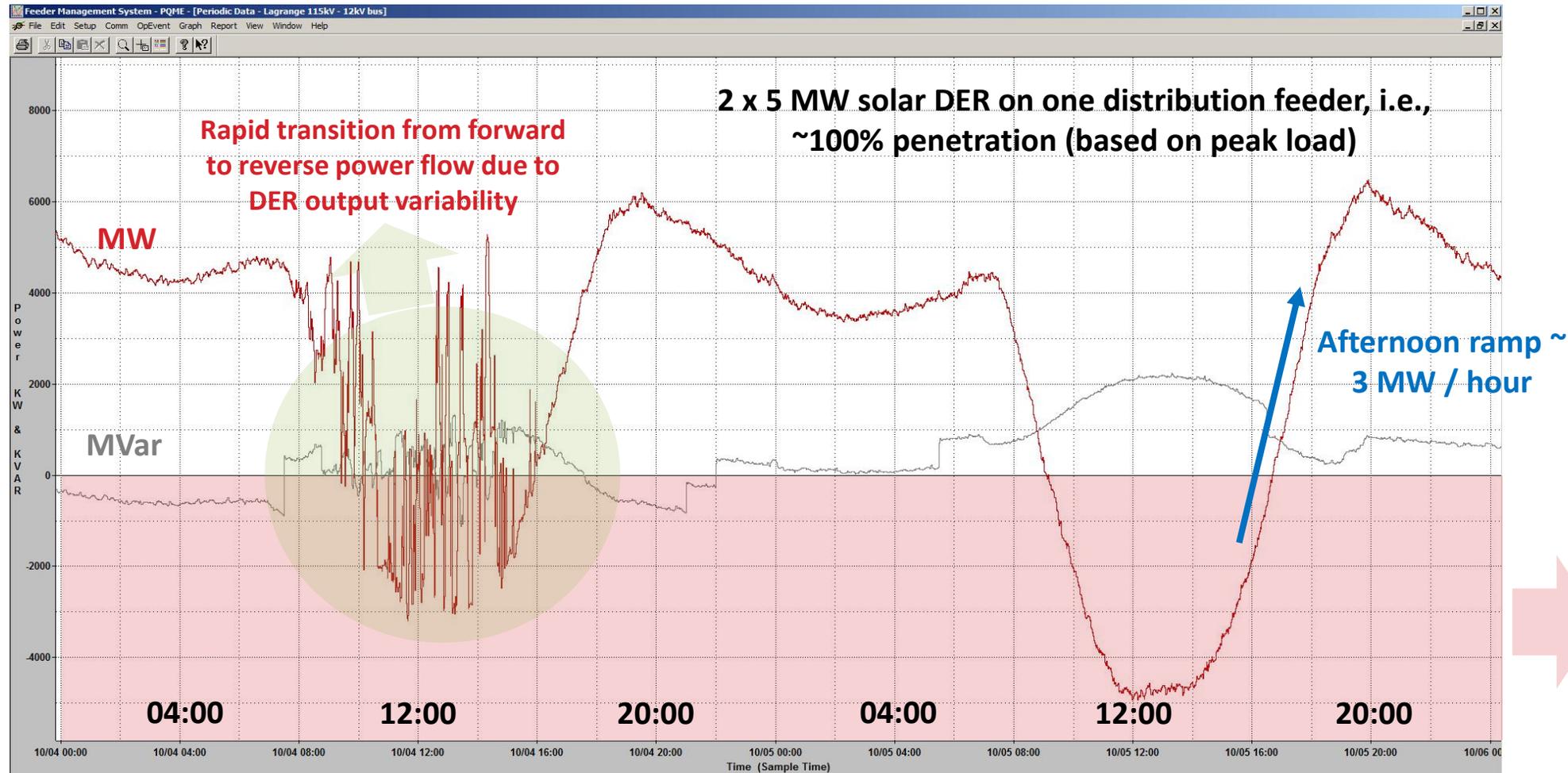
Calendar profiles are 1-minute averages derived from 1-sec data

# What is the industry doing? (1)

- DG proliferation is not a temporary trend, it is a business paradigm shift that is here to stay. Utilities are addressing this challenge from three perspectives
- **Short-term (focus on large DG plants):**
  - Utilities are conducting detailed DG integration studies for large DG plants with the objective of identifying impacts in the distribution system and proposing solutions to ensure seamless integration.
  - This approach is deterministic in nature (it is well-known where and when large DG plants will be interconnected)
  - It solves problems in the short-term but can be criticized as being equivalent to applying “patches” or short-term fixes to the system

# Impacts of High Penetration of Utility-Scale PV DG

Duke Energy Progress, Lagrange 115 kV / 12 kV Substation near LaGrange, NC: October 4 & 5, 2014

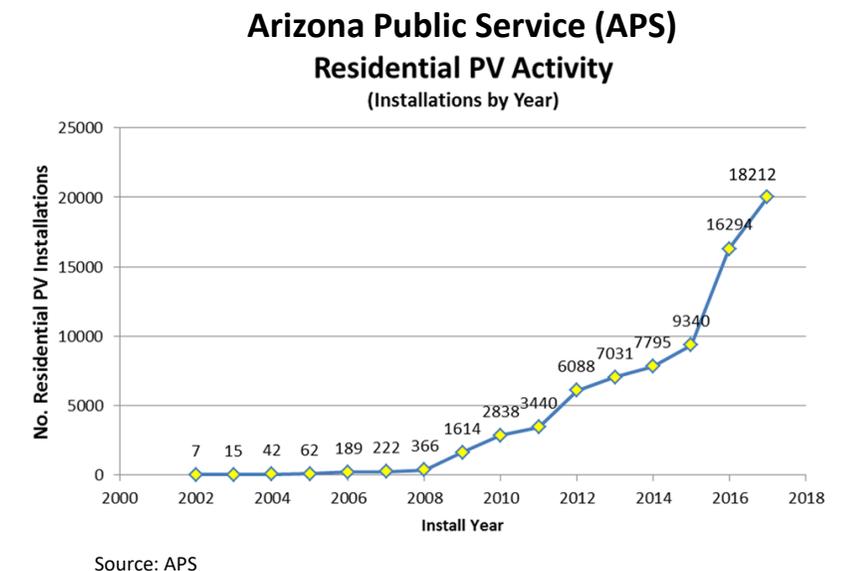
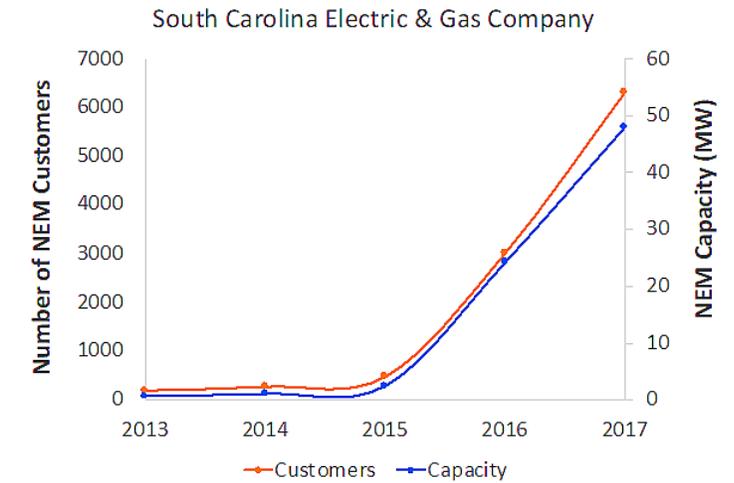


One-minute real & reactive power flow measured at substation bus, 48-hour period

Source: J. Gajda, Creating sustainable and scalable interconnection requirements for high penetration of utility-scale DER on the distribution system, 2017 IEEE PES GM, Chicago, IL

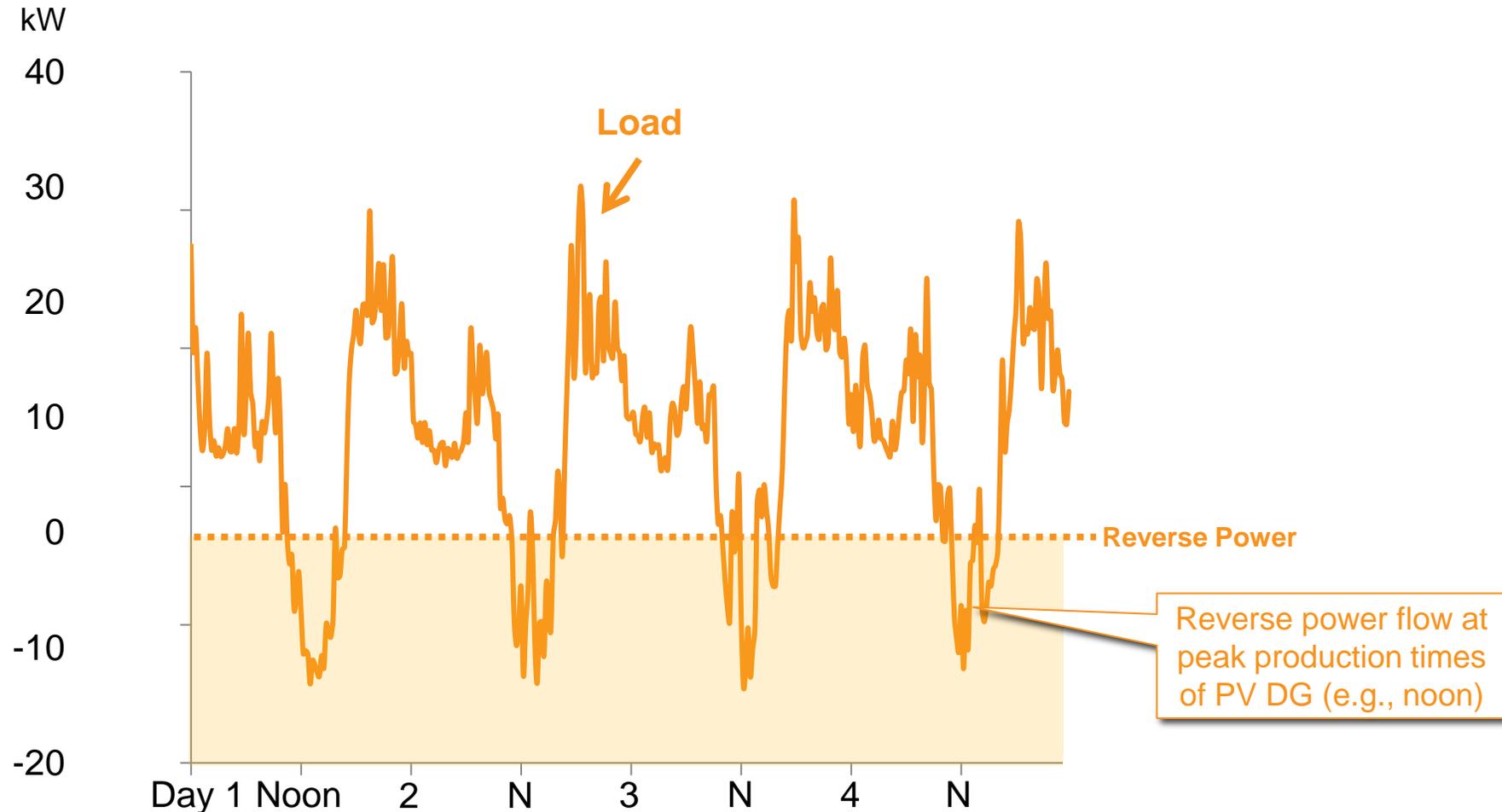
## What is the industry doing? (2)

- **Mid-term (focus on large and residential DG plants):**
  - Besides implementing short-term solutions, utilities are also analyzing a variety of proliferation scenarios for residential DG plants
  - This approach is stochastic in nature, i.e., it is not known with certainty when and where residential DG plants will be interconnected
  - Although an individual residential DG plant may not impact the distribution system, the cumulative effect of hundreds or thousands of residential DG plants will certainly affect distribution system planning and operations
  - This allows utilities estimate maximum limits of DG proliferation, identify system upgrades, and plan respective implementation with enough anticipation to account for lead times (e.g., build new feeders and substations)



# Impacts of High Penetration of Behind-the-Meter PV DG

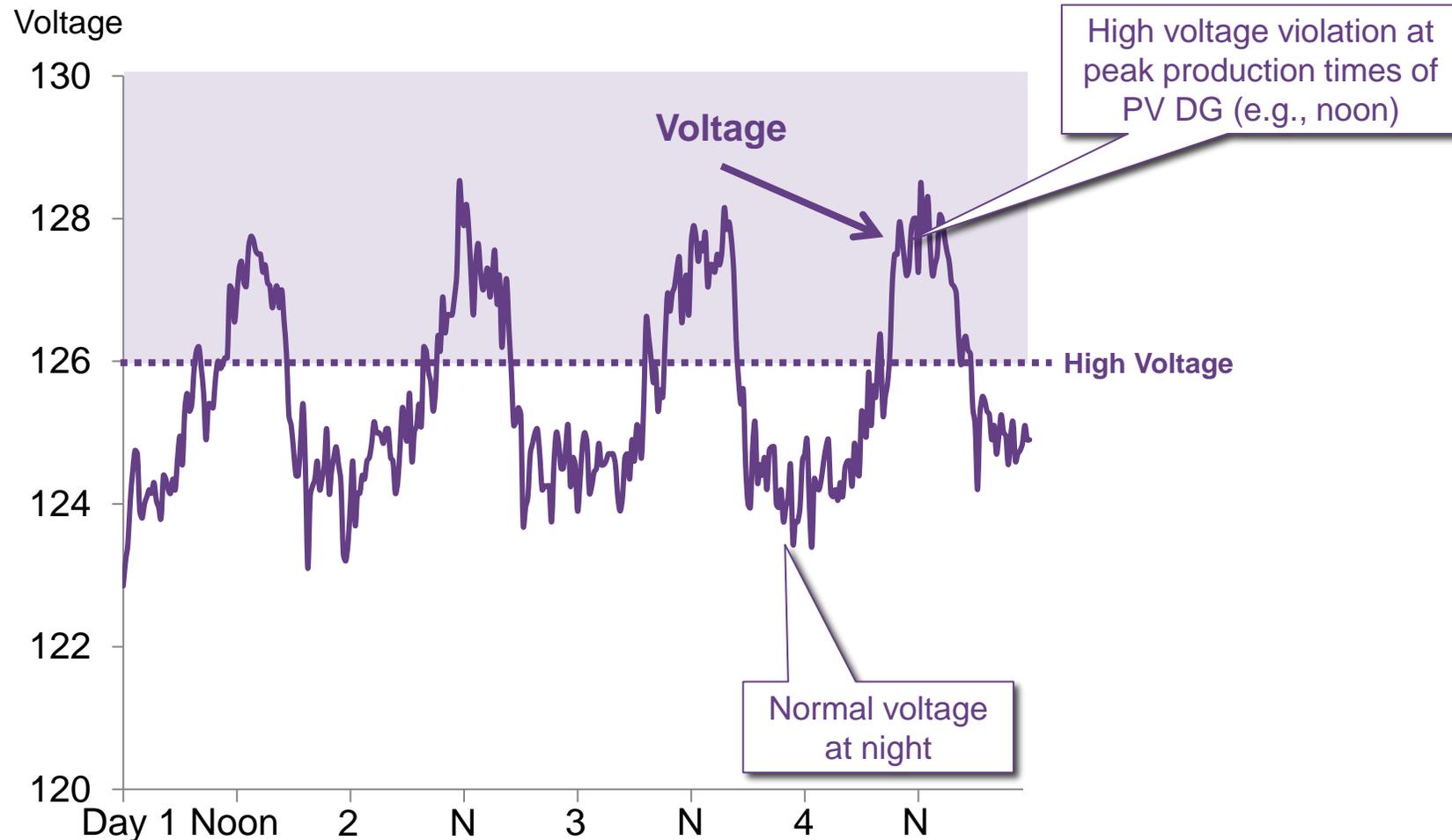
Overvoltage at service transformer due to reverse power flow caused by residential PV DG in Hawaiian Electric (HECO)'s distribution system



Source: M. Asano, Grid Modernization Applications in a High DER Environment, 2018 IEEE PES T&D Conference and Exposition, Denver CO

# Impacts of High Penetration of Behind-the-Meter PV DG

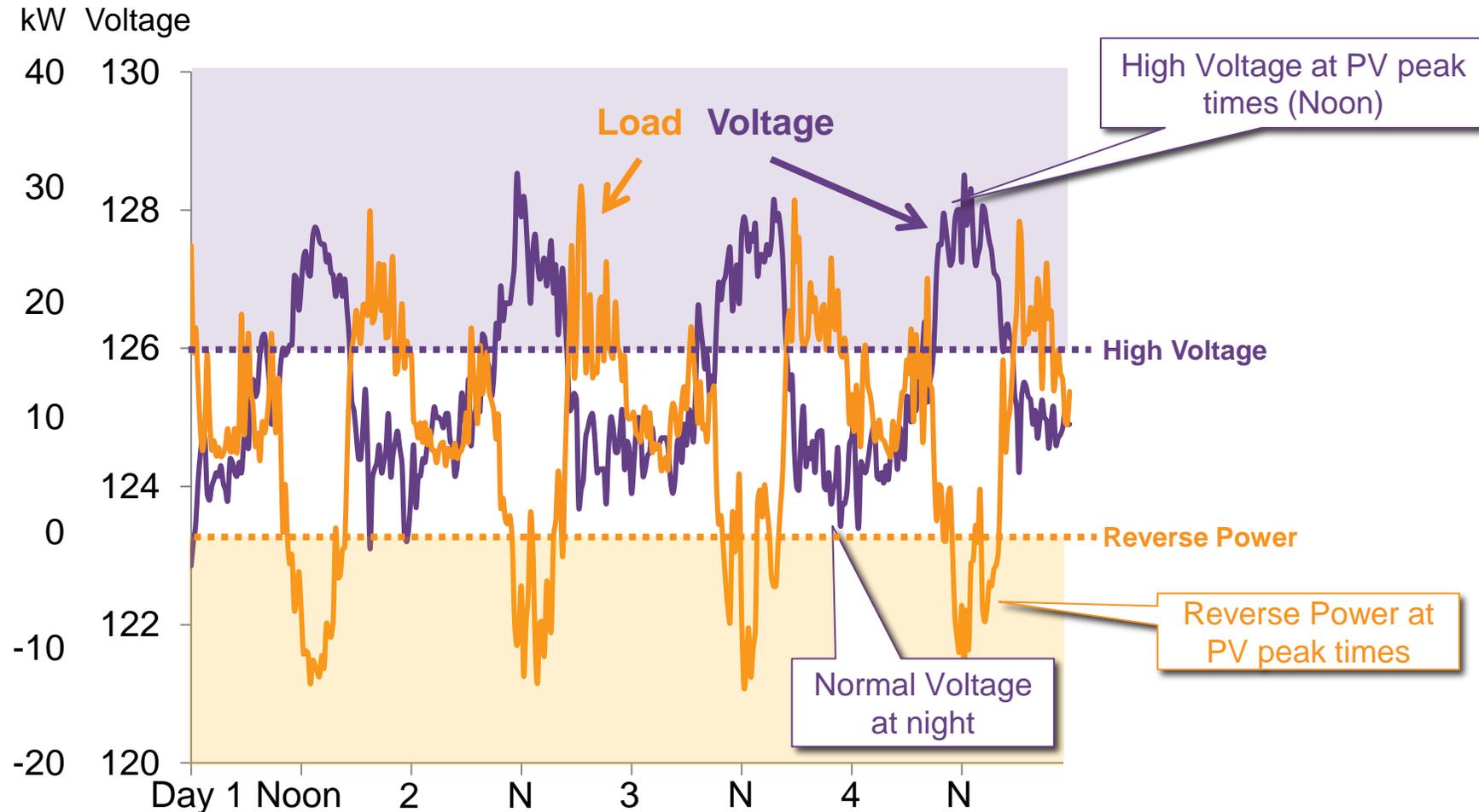
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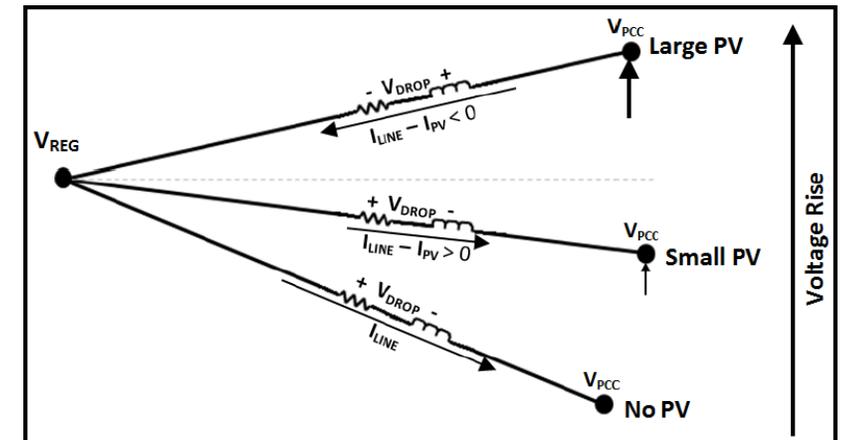
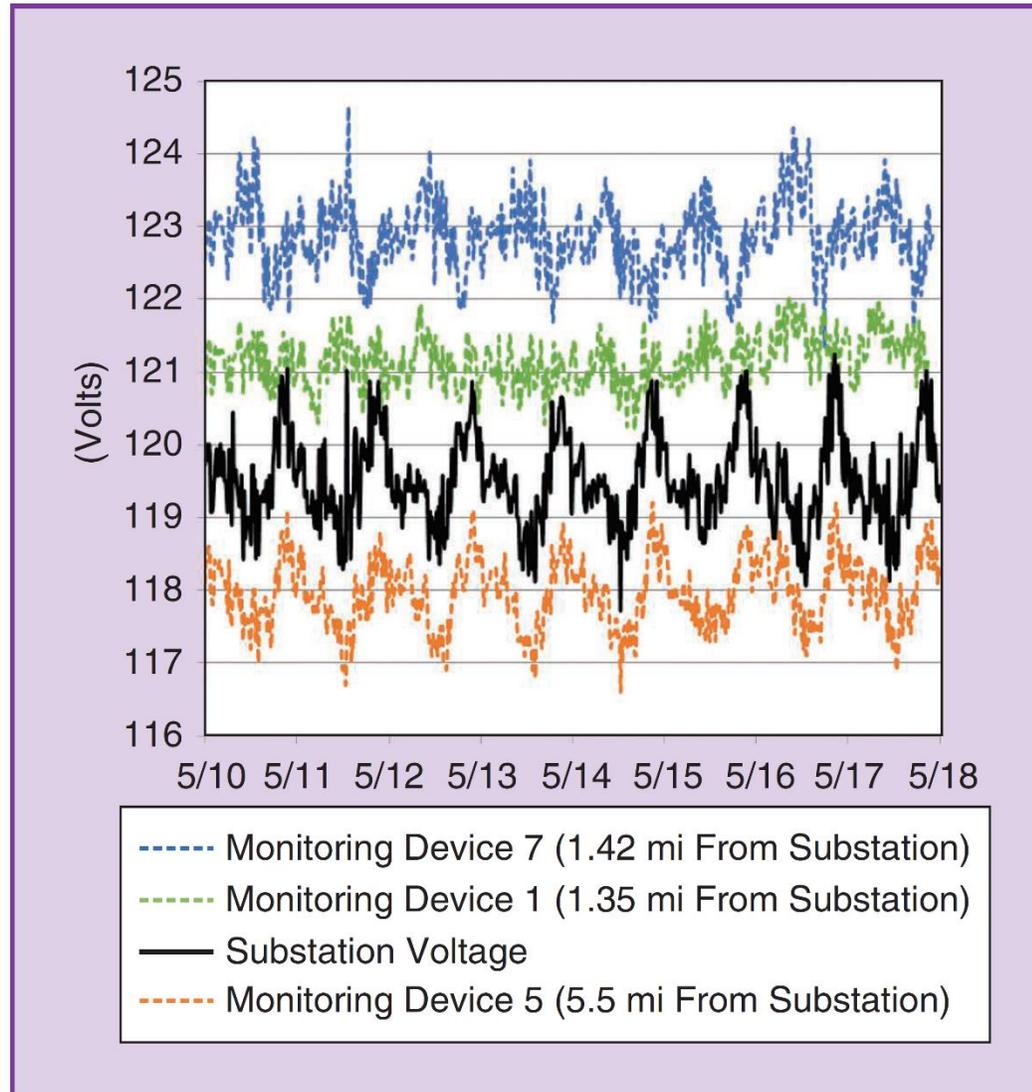
# Impacts of High Penetration of Behind-the-Meter PV DG

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# Impacts of High Penetration of Behind-the-Meter and Utility-Scale PV DG

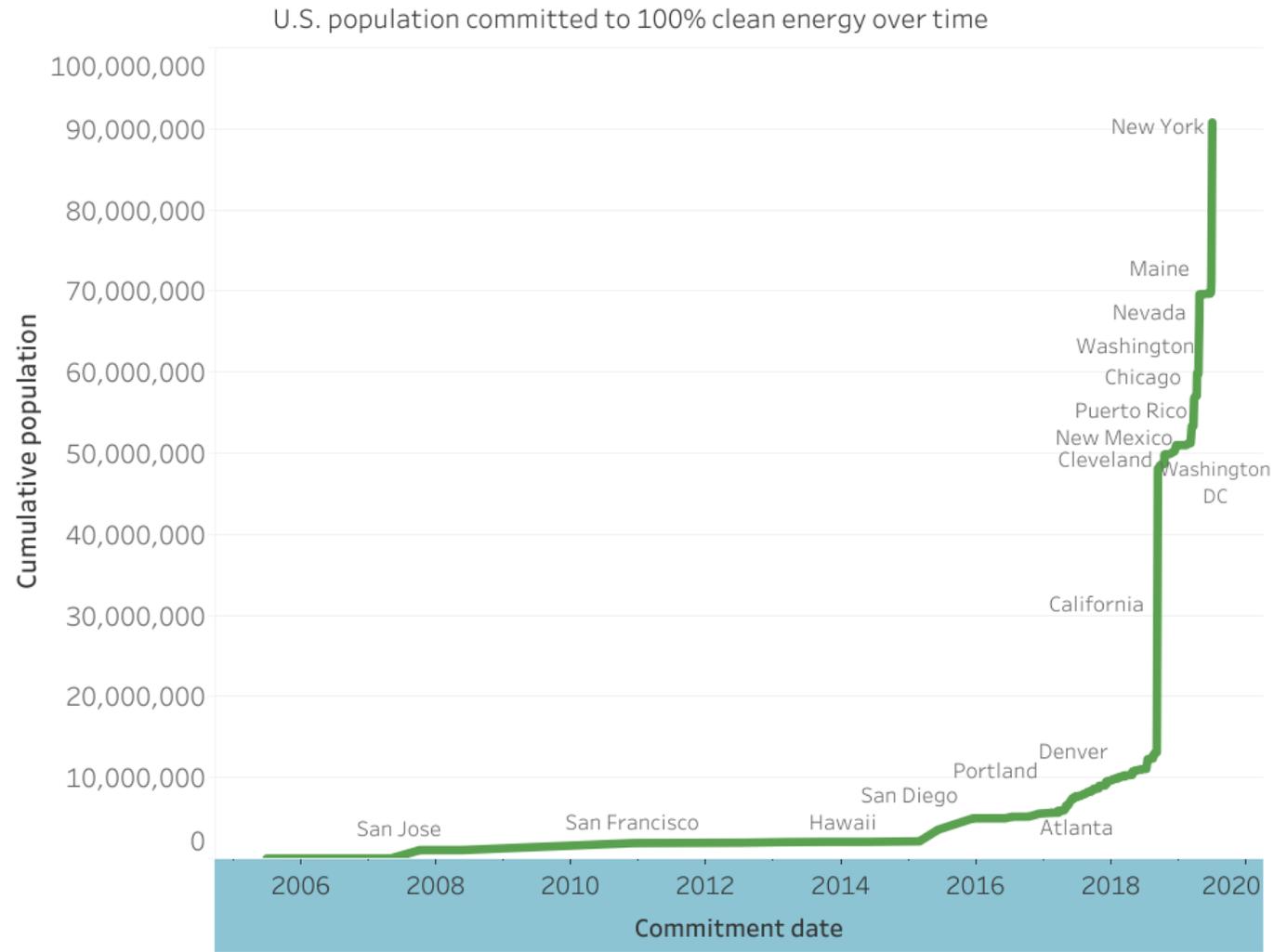


Source: <https://www.esig.energy/wiki-main-page/time-series-power-flow-analysis-for-distribution-connected-pv-generation/>

## What is the industry doing? (3)

- **Long-term (focus on business processes, infrastructure and information systems):**
  - Utilities are updating applicable business processes and practices (e.g., engineering standards, annual planning cycle, load forecasting) to consider DG integration as an intrinsic component of their regular activities
  - Utilities are upgrading distribution assets, information technology, communications, and enterprise system infrastructures to gather and process the data required to operate modern distribution systems with large penetration levels of DG (e.g., sensor, DA and PMU deployment)
  - Utilities are exploring new concepts to fully take advantage of the potential benefits of DG proliferation (e.g., microgrids)
  - Utilities are participating in industry activities to share experiences, and are training their engineers to analyze, plan and operate modern and future distribution systems

# U.S. Population Living in States or Cities Committed to 100% Clean Energy

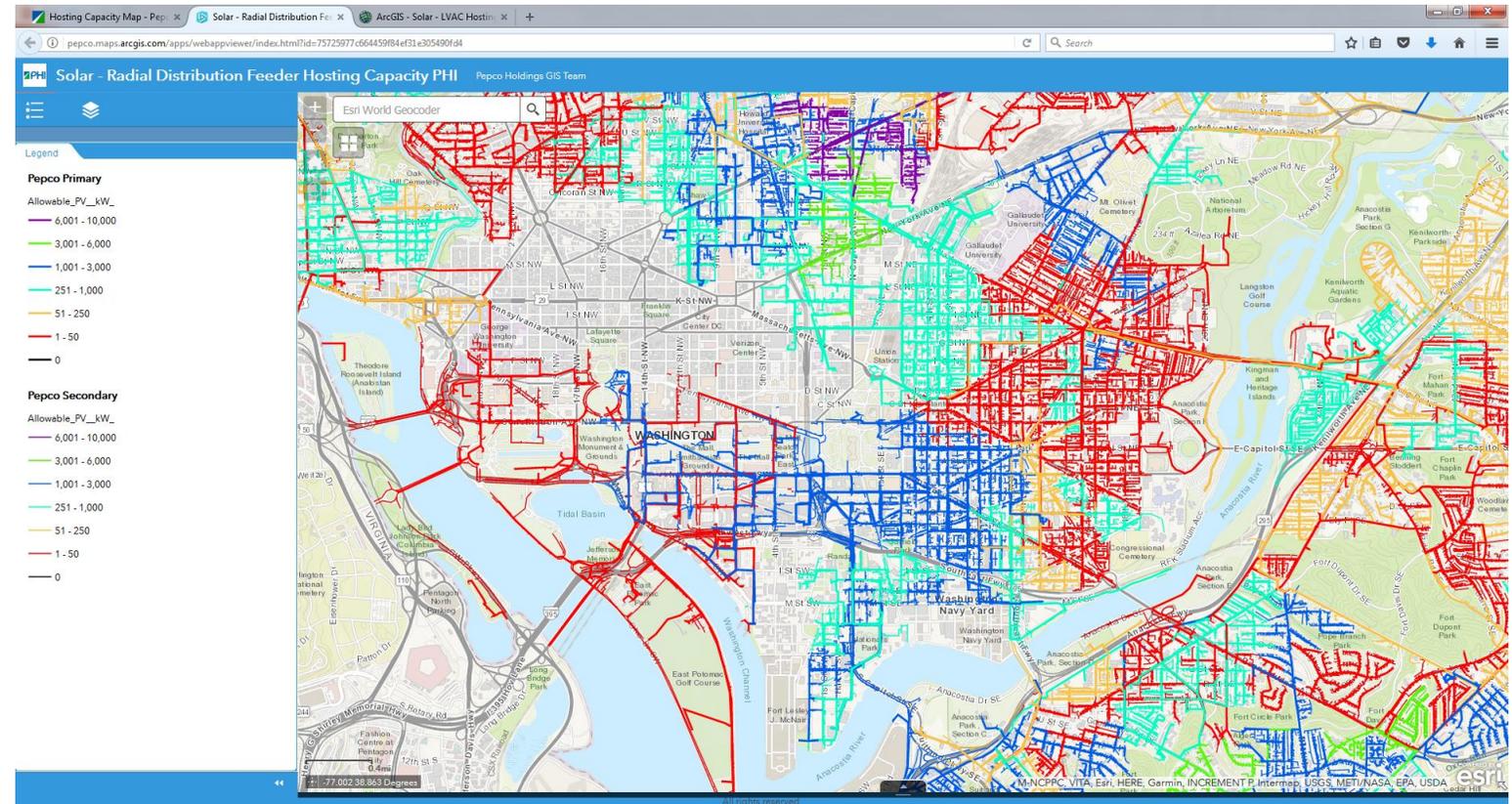


Data sourced using 2016 census. Incremental population for 100% states is reduced by the cities previously committed to 100% clean energy in those states, so as not to double count.

Source: <https://www.sierraclub.org/articles/2019/08/100-clean-energy-movement-keeps-moving-forward>

# Examples of Leading Practice Areas

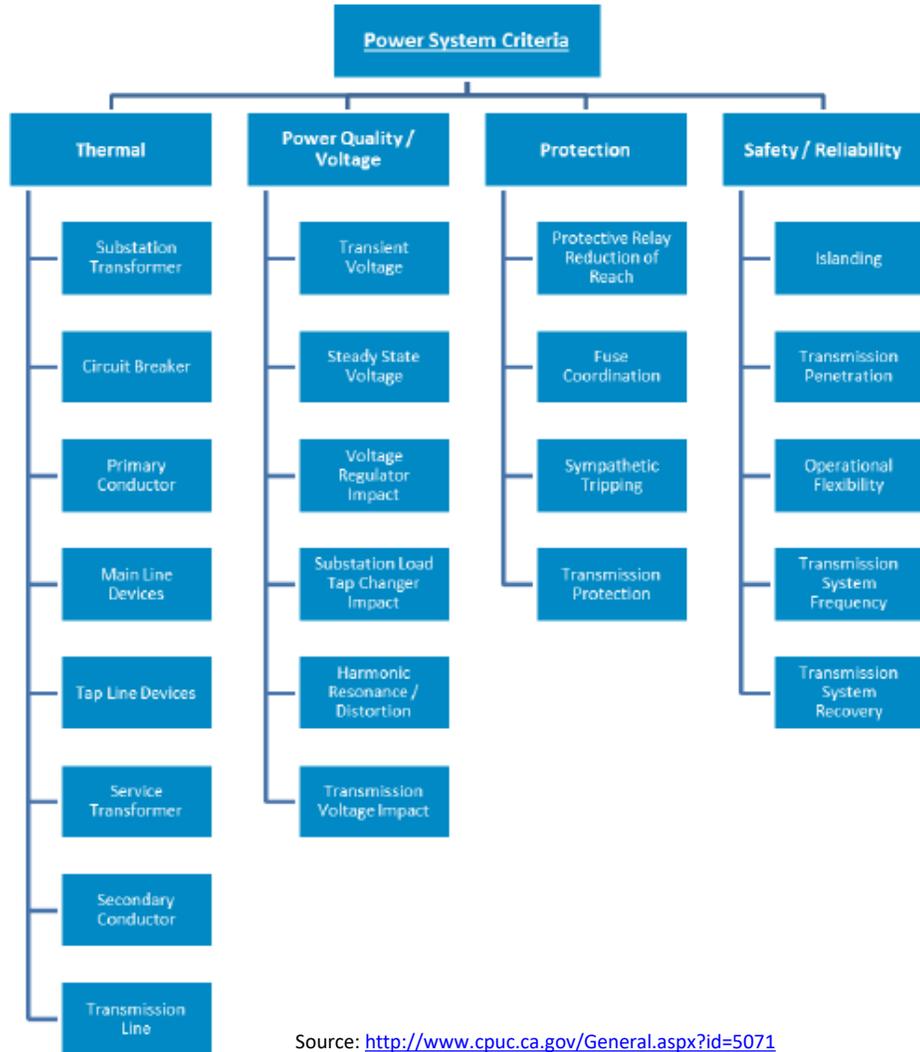
- DER Interconnection Process
- Smart Inverter Standards
- DER Monitoring and Control
- DER Management Systems (DERMS)
- Grid Analytics
- Advanced Distribution Planning
- DER Hosting Capacity
- Spatial Load and DER Forecasting
- Time Series Analyses (8760 hr.)
- Locational Value Analysis



Source: <https://www.pepco.com/SmartEnergy/MyGreenPowerConnection/Pages/HostingCapacityMap.aspx>

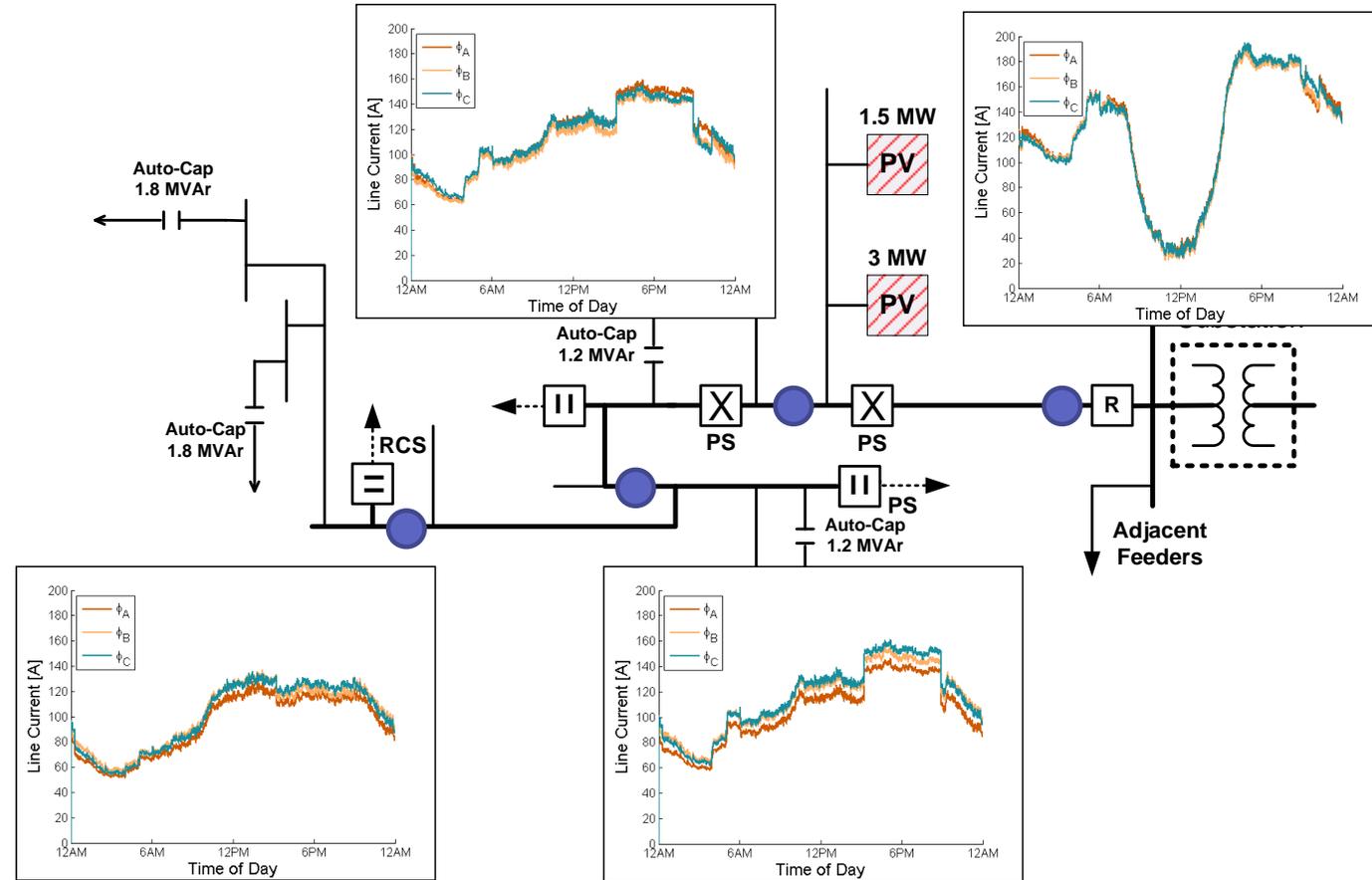
# Examples of Leading Practice Areas

## DER Hosting Capacity Vision



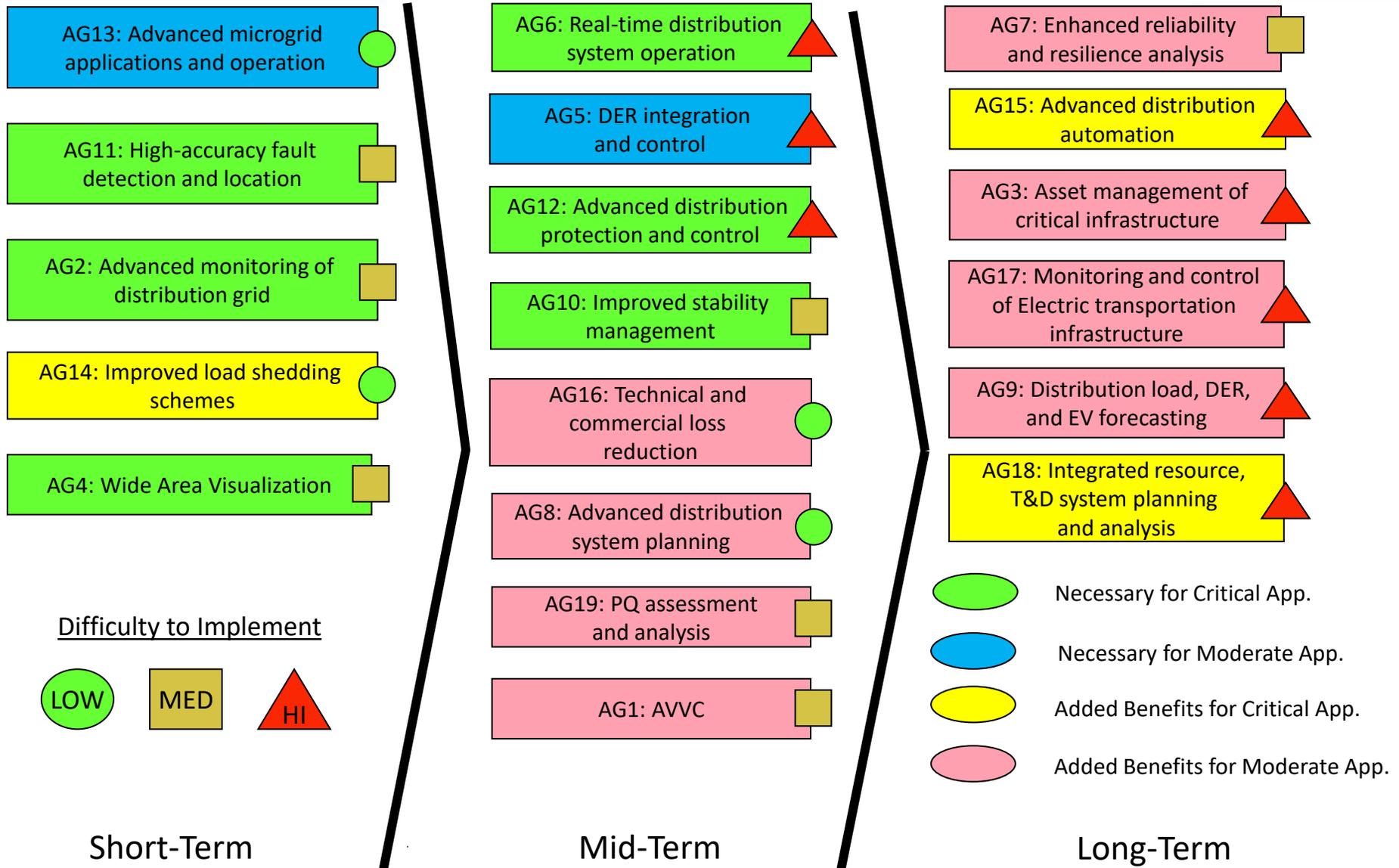
Source: <http://www.cpuc.ca.gov/General.aspx?id=5071>

## High Resolution PV Monitoring

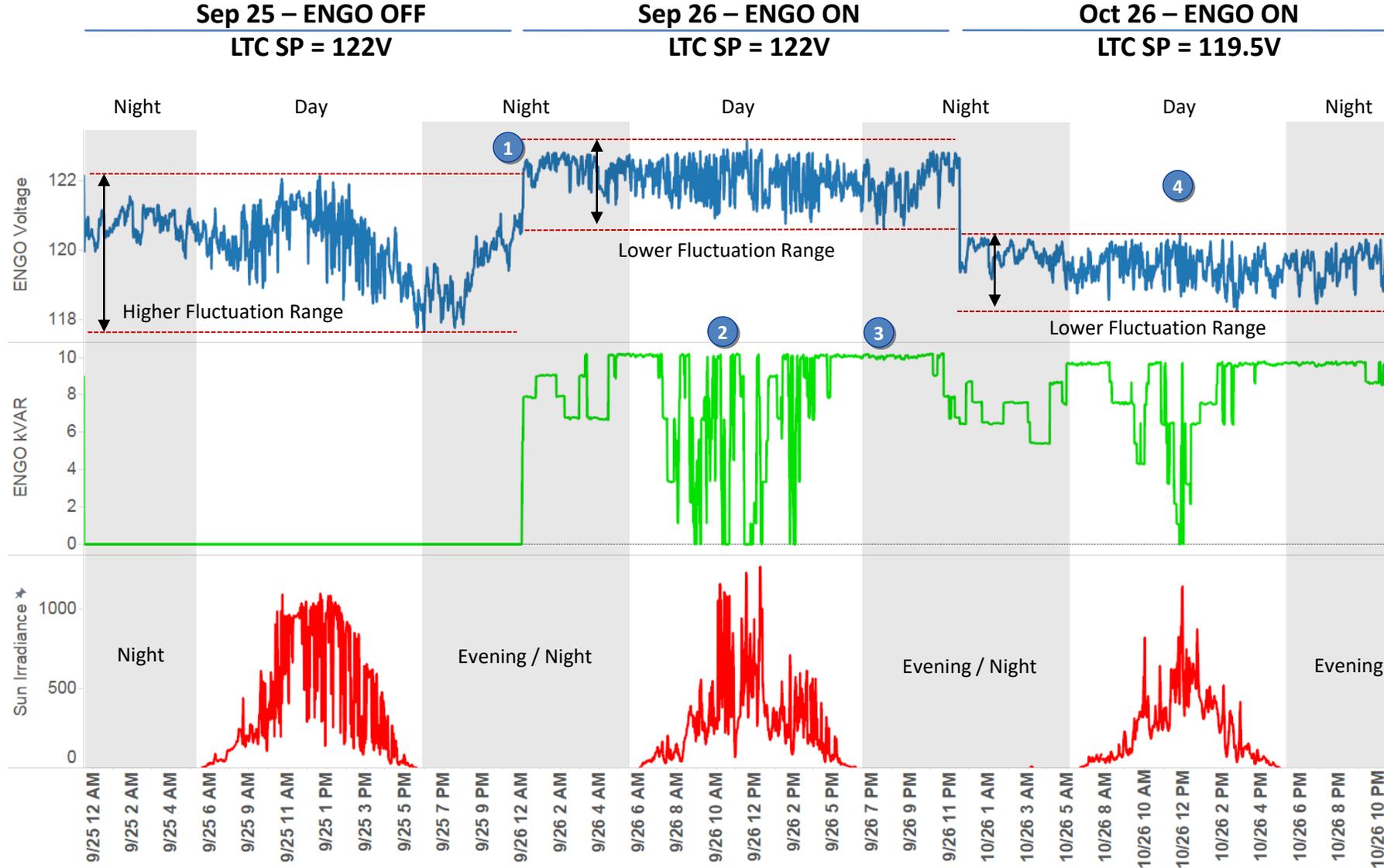


Source: NREL

# Synchronized Measurement Technology – Industry Roadmap



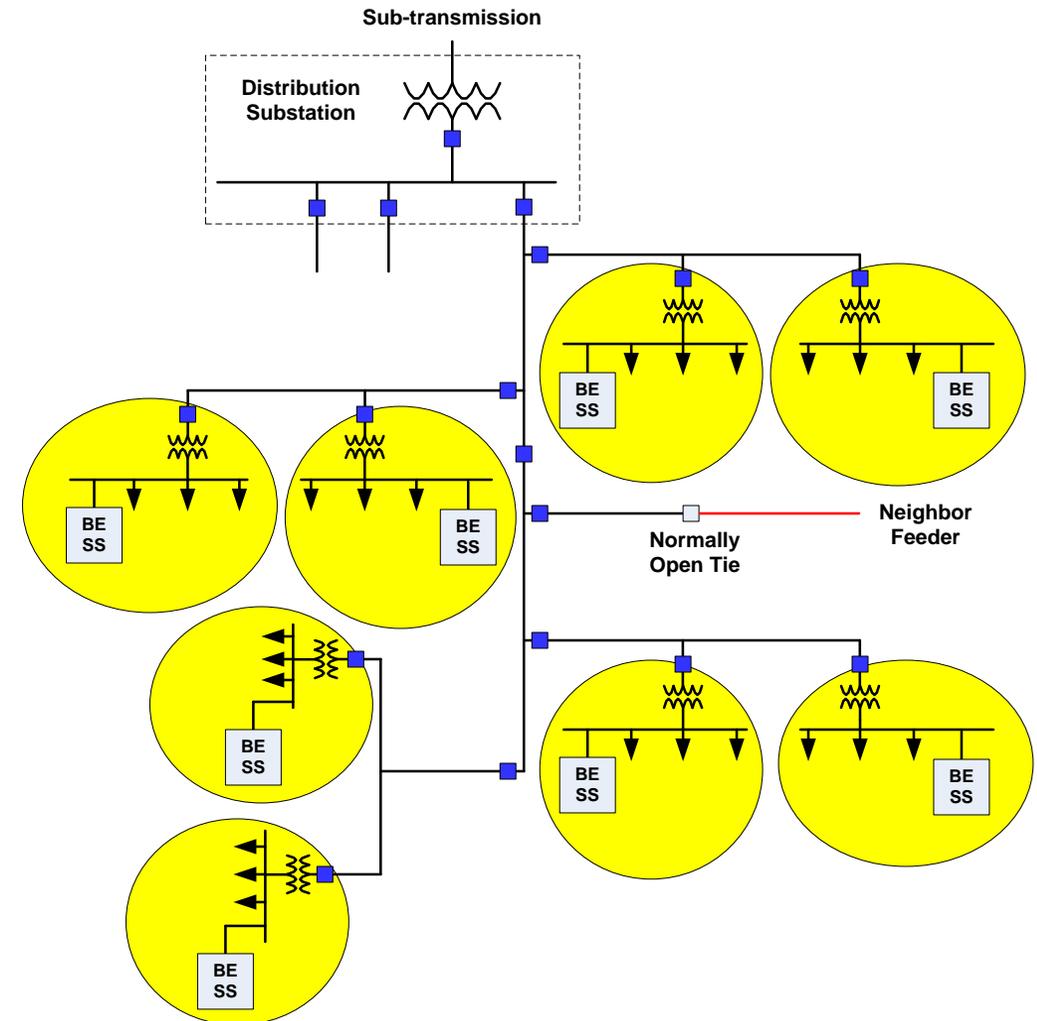
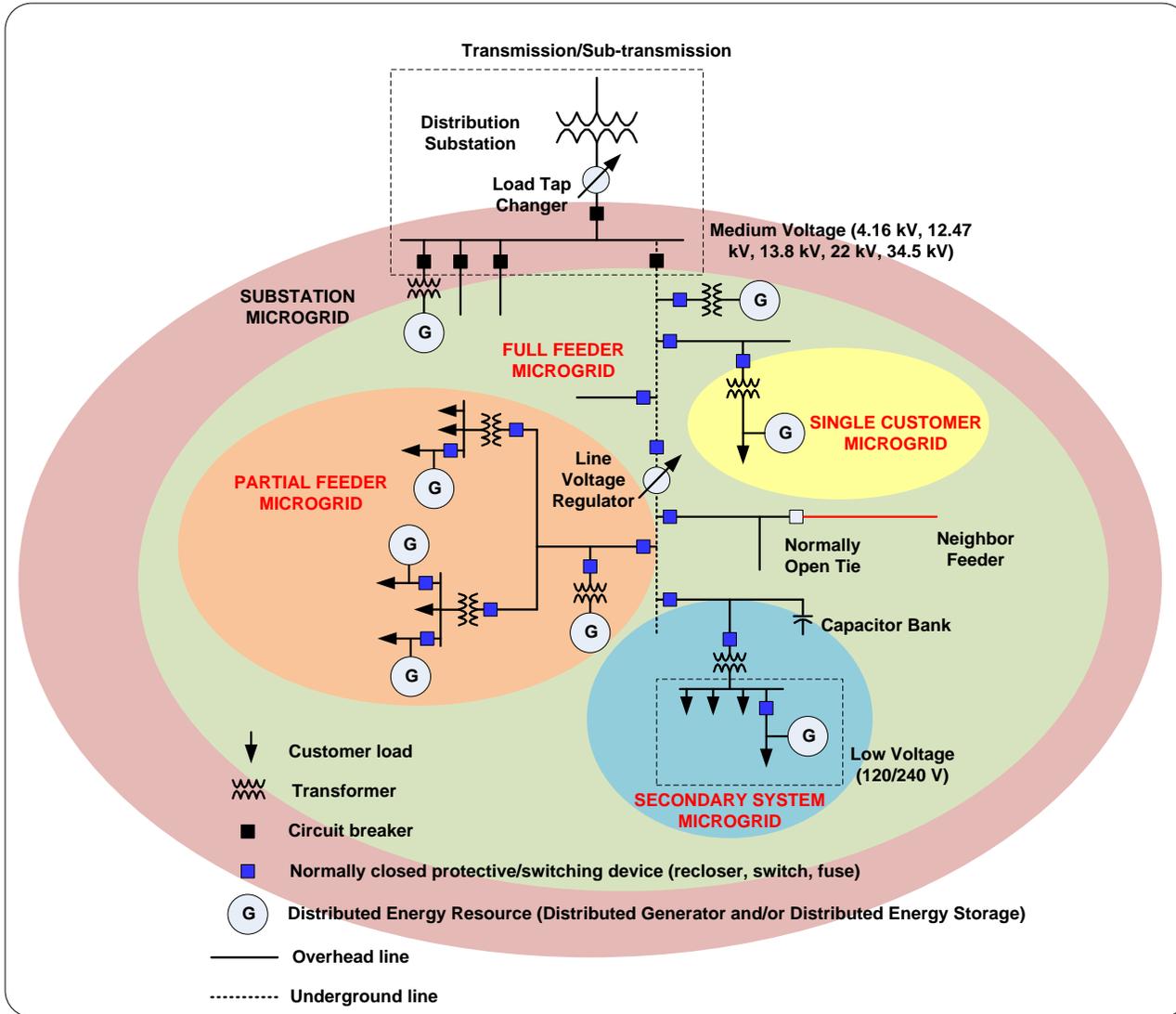
# Volt-Var Control at the Grid Edge



Source: M. Asano, Grid Modernization Applications in a High DER Environment, 2018 IEEE PES T&D Conference and Exposition, Denver CO

- 1 **Fluctuation Reduction:** ENGO voltage fluctuation range reduces when ENGO units are active
- 2 **Daytime Operations:** During the day time, ENGO units provide dynamic VAR support to compensate for PV generation volatility (e.g. cloud cover)
- 3 **Night Time Operations:** During the night time, ENGO units provide full kVAR support during peak-load times when PV generation is not available
- 4 **Tap Down LTC to Allow Extra PV Penetration:** ENGO provides voltage support to allow the LTC to tap down permanently which will allow extra PV penetration for the system.

# Hierarchical Microgrids & Distributed Energy Storage

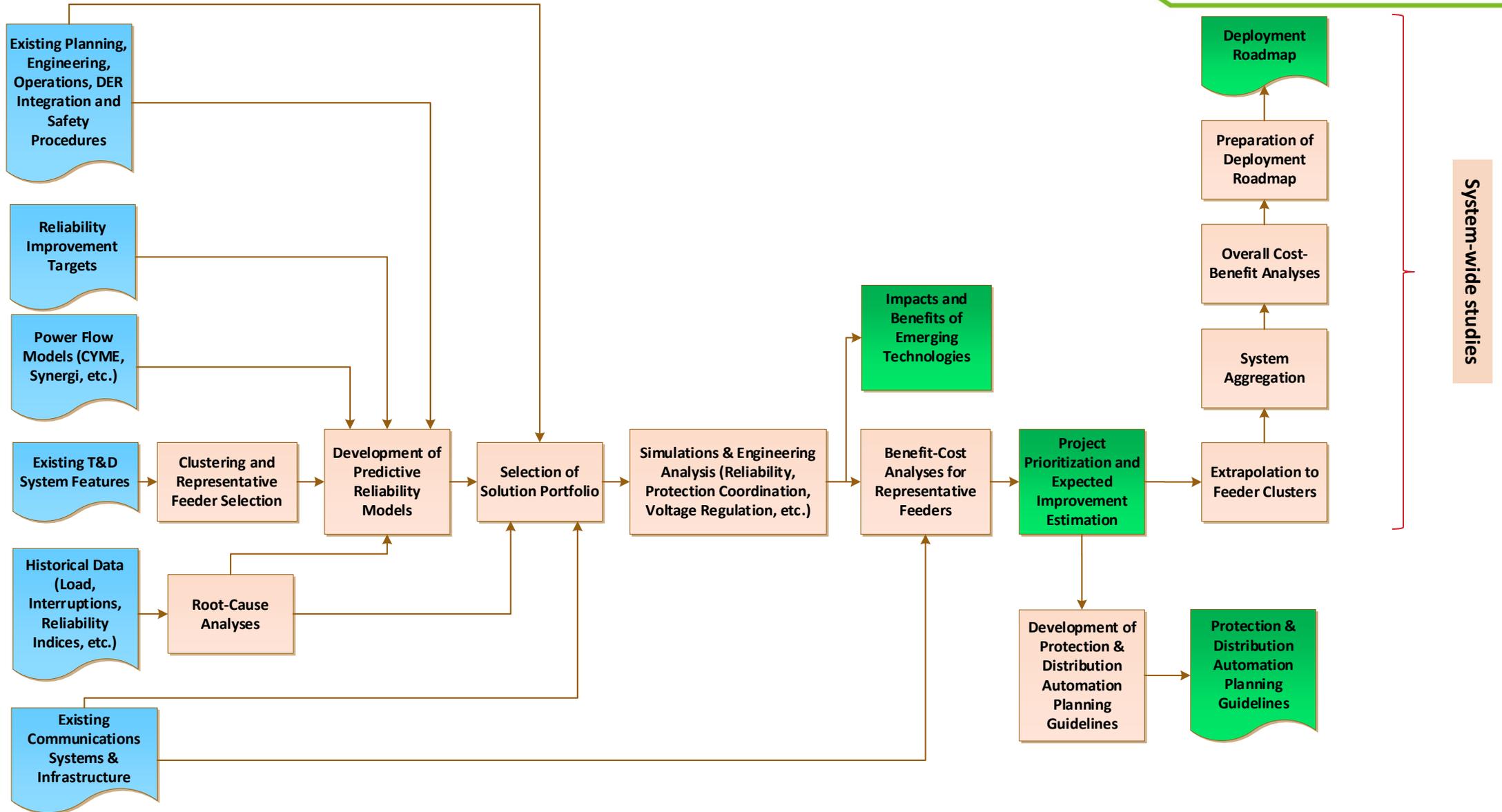


# Holistic Reliability, Automation and Protection Modeling & Analysis

**Input**

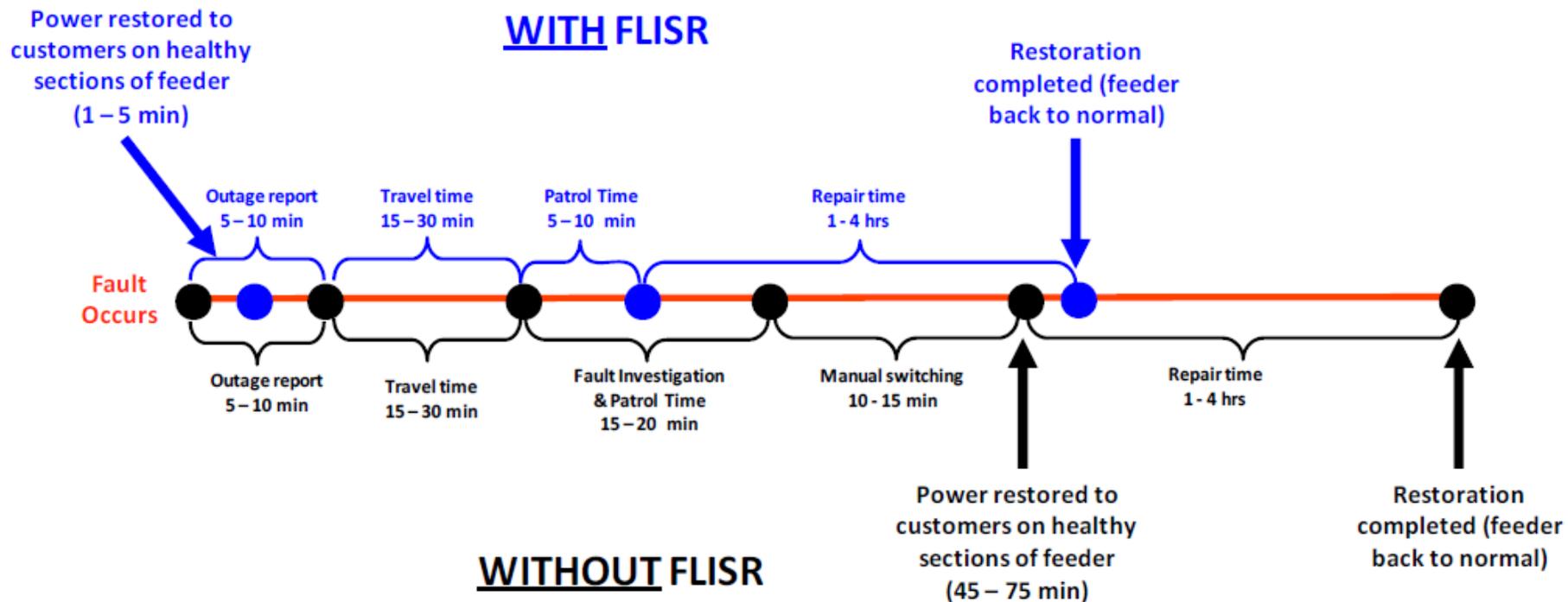
**Process**

**Output**

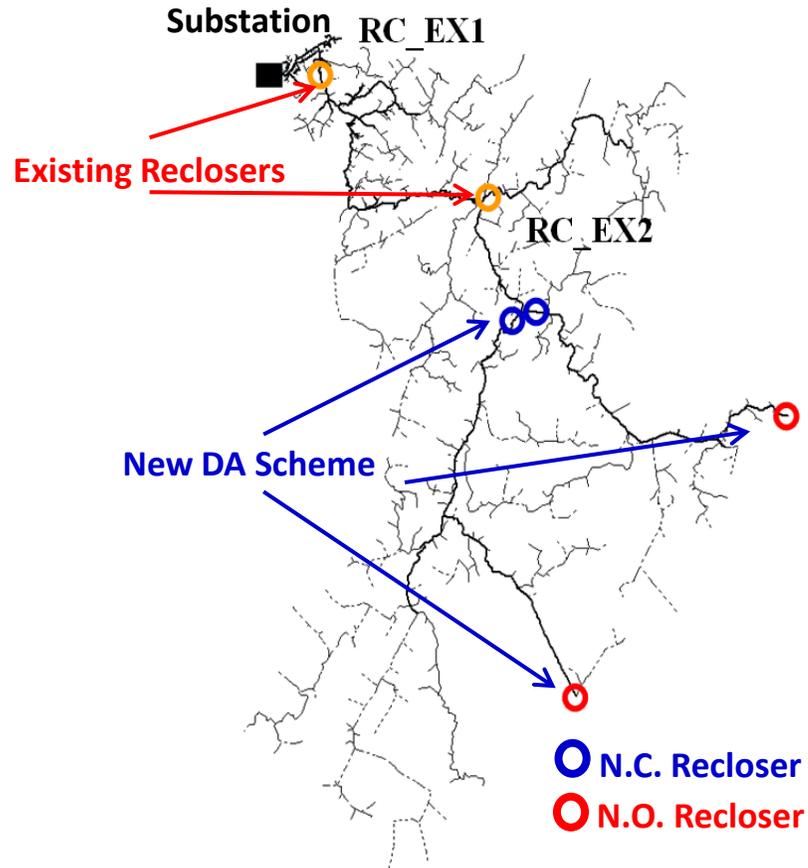


# Distribution Automation – FLISR

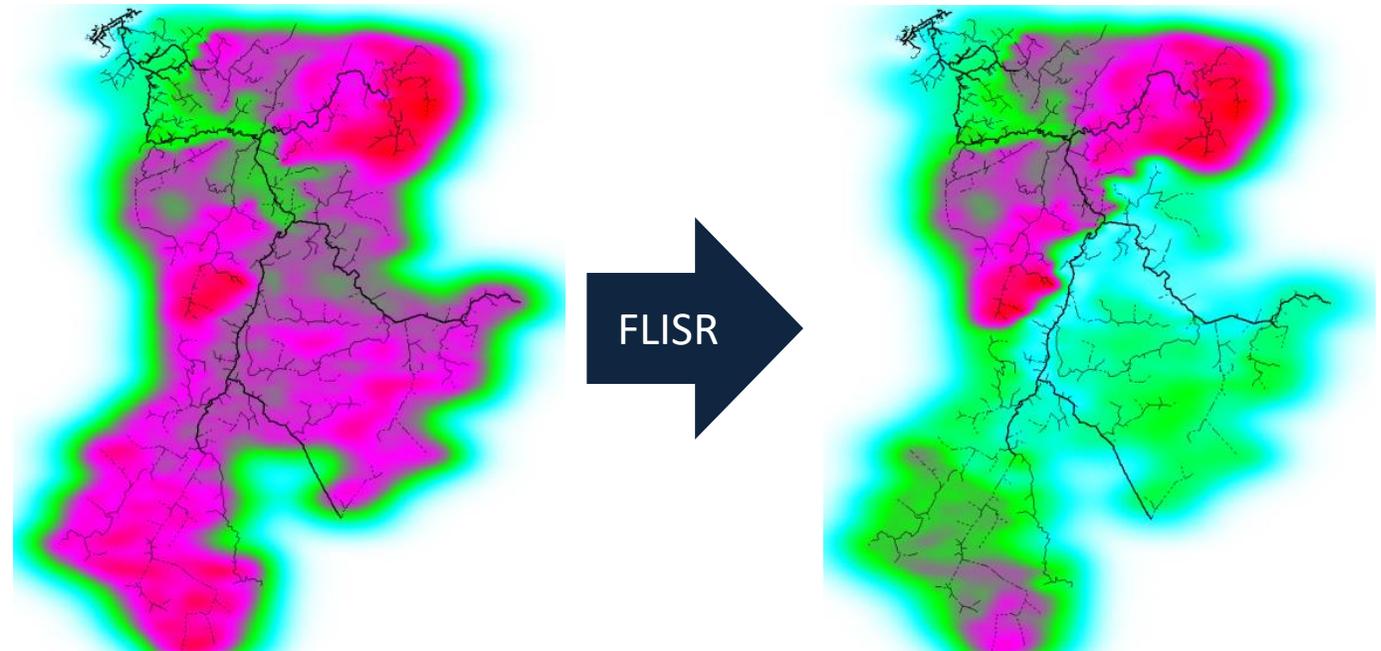
- Fault Location, Isolation, and Service Restoration (FLISR) has been approached as a solution to improve distribution reliability through automation of outage management and service restoration process
  - Focus of FLISR is reduction of frequency and duration of service interruptions at **feeder level**
- FLISR is a foundational technology for an evolving grid and can provide additional benefits



# Feeder Reliability Improvement via FLISR

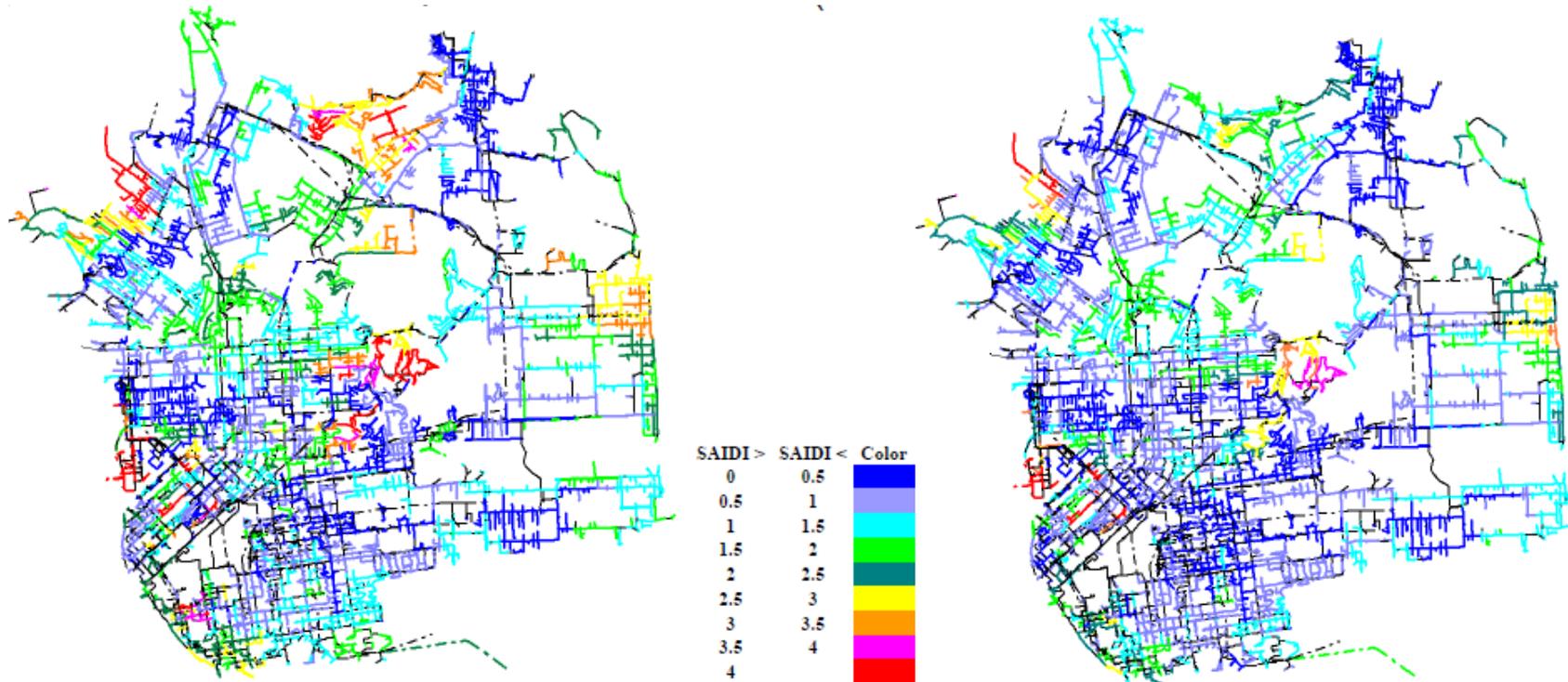


## Spatial distribution of expected SAIDI (hr/cust-yr)



# Area Reliability Improvement via FLISR

*Example: Estimated reliability improvement (SAIDI reduction) due to implementation of distribution automation (FLISR) and other solutions in distribution system*

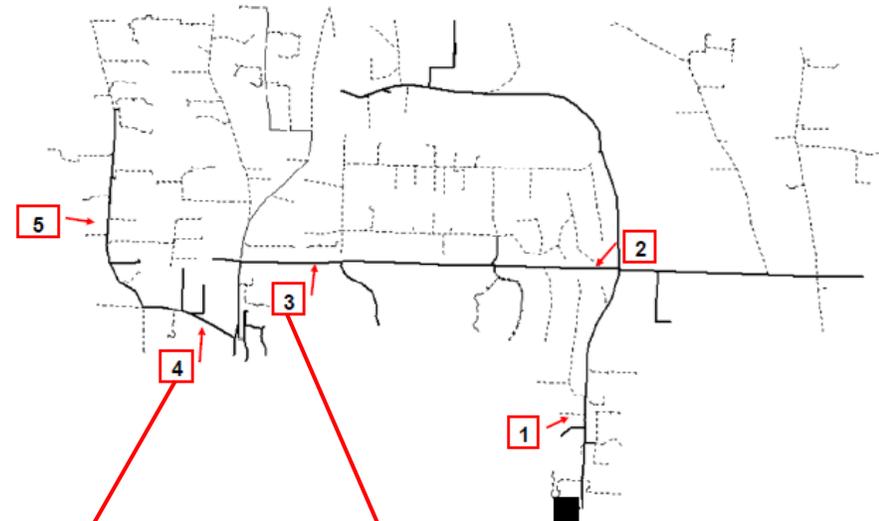


SAIDI before

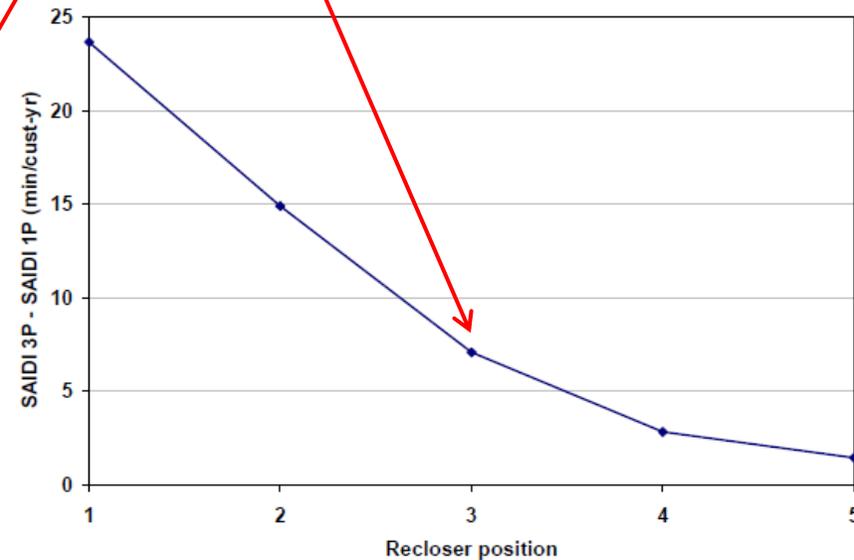
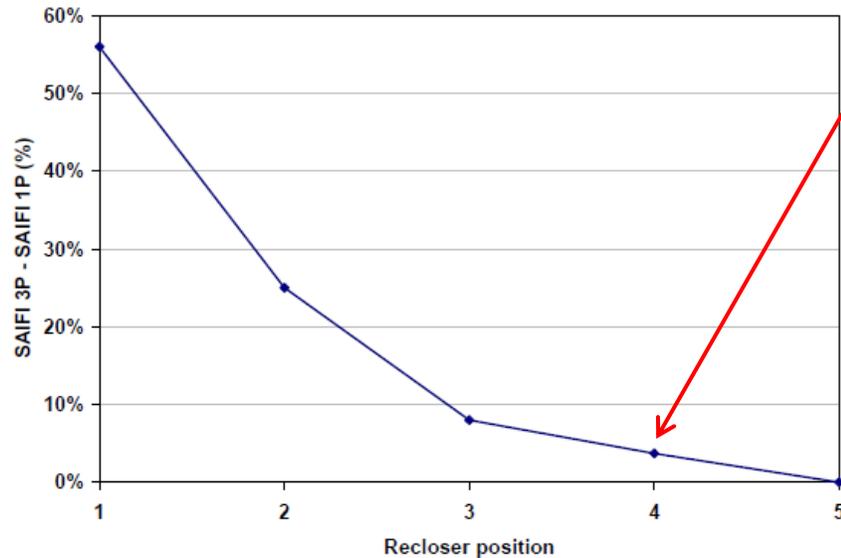
SAIDI after

# Single-Phase Reclosing and Lockout

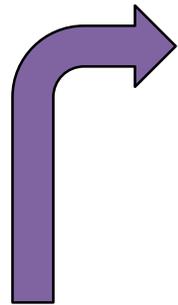
Theoretical additional reliability improvement (SAIFI & SAIDI reduction) for different recloser location



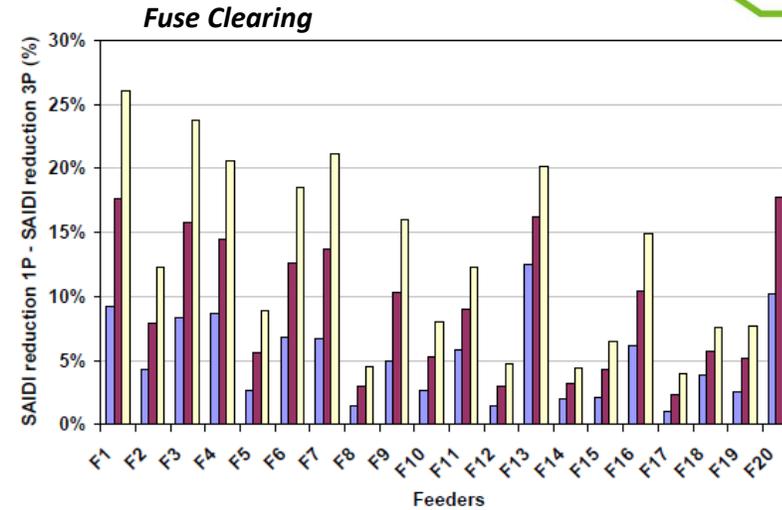
Benefits are a function of number of downstream customers



# Single-Phase Reclosing and Lockout and Fuse Saving

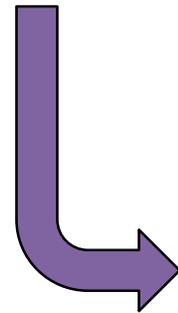


Fuse Clearing

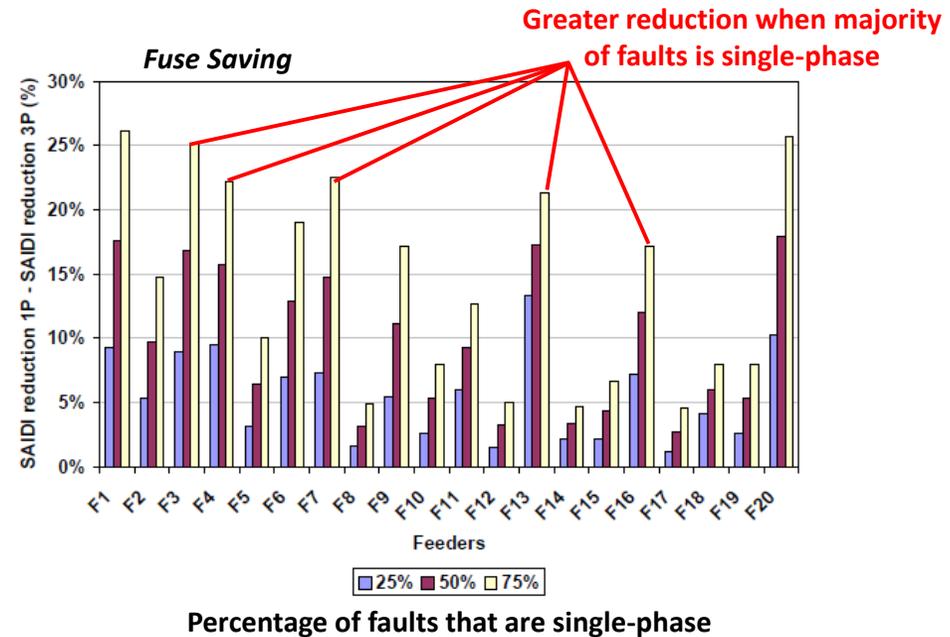


Difference in SAIDI reduction achieved via:

- Single-phase tripping (1P)
- Three-phase tripping (3P)



Fuse Saving



# Conclusion

- A grid modernization roadmap:
  - Enhances and strengthens grid planning, operations, and engineering activities
  - Identifies and prioritizes key infrastructure investments in support of the utility goals
  - Sets the foundation for transforming and preparing the utility for the future, according to industry leading practices, and outlines key initiatives
- As distribution systems evolve and transform into complex and dynamic active grids due to DER integration, there will be a growing need for real-time operations
- This transformation will require of holistic T&D operations and planning with focus on performance
- Telecommunications, IT systems, big data analysis and AI will play a vital role to enable efficient and effective data collection, processing, storage, and analysis needed for real-time operations and high resolution/granularity spatial/temporal planning
- Distribution modeling, simulation and analysis capabilities should evolve to account and take advantage of these emerging trends and technologies, facilitate planning and operations activities, and ultimately further deliver value to end users

## Further Reading

- Modernizing the grid: Challenges and opportunities for a sustainable future, JR Agüero, E Takayesu, D Novosel, R Masiello, IEEE Power and Energy Magazine 15 (3), 74-83
- The utility and grid of the future: Challenges, needs, and trends, JR Agüero, A Khodaei, R Masiello, IEEE Power and Energy Magazine 14 (5), 29-37
- Grid modernization, DER integration & utility business models-trends & challenges, JR Agüero, A Khodaei, IEEE Power and Energy Magazine 16 (2), 112-121
- Roadmaps for the utility of the future, JR Agüero, A Khodaei, The Electricity Journal 28 (10), 7-17
- Grid modernization: challenges and opportunities, JR Agüero, E Takayesu, D Novosel, R Masiello, The Electricity Journal 30 (4), 1-6
- Tools for success: Distribution System Planning in the Smart Grid Era, JR Agüero, IEEE Power and Energy Magazine 9 (5), 82-93
- Improving the reliability of power distribution systems through single-phase tripping, JR Agüero, J Wang, JJ Burke, IEEE PES T&D 2010, 1-7



# Thanks!

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TECHNOLOGY