Recent Developments in Smart Grid Investments in Canada

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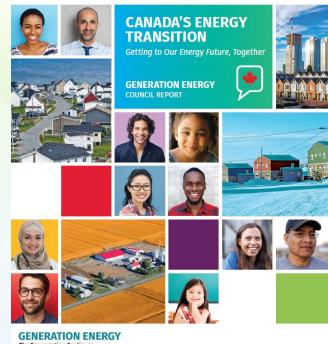
Framework for Support Mechanisms

PAN-CANADIAN FRAMEWORK



on Clean Growth and Climate Change

> Canada's Plan to Address Climate Change and Grow the Economy



The Conversation Continues

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Canada

Pan-Canadian Framework on Clean Growth and Climate Change: Role of the Electricity Sector

The electricity sector is key to meeting Canada's target of reducing GHGs by 30% from 2005 levels by 2030

Put Canada on a path to move from 80 % towards 90 % non-emitting sources by 2030 Reduce emissions from electricity generation

Currently 11 % of total

Secure emissions reductions through efficiency and electrification of other sectors

Create an incentive for use of nonemitting electricity Regulation: **Pricing carbon** pollution starting in 2018 at \$10/tonne,

rising to

\$50/tonne in

2020 (ECCC)

1. Low-Carbon Energy Supply

Action

- 2. Power Systems Infrastructure
- 3. Grid Modernization

Demand5. Transportation Demand

4. Remote Electricity Supply +

6. Buildings & Communities
Demand





Budget 2017 Funded Programs

Electricity | Transportation | Buildings

(1) Emerging renewables deployment (\$200M)

e.g. offshore wind, geothermal, tidal

(2) Smart grids (\$100M)

e.g. micro-grids, grid monitoring and automation, data management and automation, and distributed energy resource management

(2) Reducing reliance on diesel use in off-grid, northern, and remote communities (\$220M)

Demonstrations and deployments of renewable energy for electricity and heat

e.g. solar and wind, bioenergy, community capacity building

(4) Northern REACHE (\$54M)

For proven renewable energy technology projects in dieselreliant off-grid Indigenous and northern communities e.g. solar, wind, energy storage, hydro, biomass heating, residual heat recovery and LED lighting

(5) Arctic Energy Fund (\$400M)

Energy security for communities north of 60°, delivered through IBAs with PTs

e.g. diesel generator refurbishment

(7) Impact Canada—Clean Technology Stream (\$75M)

Support for innovative approaches to solving tough challenges in clean technology.

e.g. prizes, challenges

(8) Electric vehicles and alternative fuel infrastructure (\$120M)

To deploy electric vehicle and alternative fuel (natural gas, hydrogen) infrastructure + demonstrate next-gen charging technology

(9) Energy efficient buildings (\$182M)

Includes co-funding opportunities for RD&D, construction and retrofit practices, and recommissioning





Smart Grid Scope Considerations Project types Recipient Types Other requirements **Smart Grid Program** Demo, Deploy, Utilities, system Grid benefits, grid integrated or Hybrid microgrid

locations.

alternative fuels

infrastructure

EV fast chargers

Reduction of diesel use for heat & power

in remote communities and/or industrial

Call is tech agnostic; Must reduce impact

includes: new generation tech, storage;

sites, as well as bioheat for rural

on air, land, water; Eligible SG tech

Utility-scale renewable generation

Grid management of EV charging

Behind the meter technology

Preference for Indigenous-led and/or

supported projects; minimum RE

Requires funding from Province / Territory; Must benefit mining, energy

or forestry sectors; TRL levels 3-9

Commercial tech not yet in Canada;

Applicant must be engaged with the

relevant energy supplier

Demonstrated but not deployed

generation requirements for

deployment

operators

Any in Canada

Demo, Deploy,

R&D, FEED, Demo,

Hybrid

up to first

commercial

installations

Deploy

Demo

Deploy

R&D, Demo

Canada

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Ressources naturelles

Clean Energy for Rural &

Emerging Renewable Power

Remote Communities

Clean Growth

Program

Electric Vehicle

Alternative Fuel

Infrastructure

Electric Vehicle and

Energy Efficient Buildings

Natural Resources

Canada

Infrastructure

GI Phase II: Smart Grid Deployment & Demonstration Program

\$100 million for smart grid deployment and demonstration projects

- 4 year program starting 2018/2019
- \$35 M: Demonstration projects are higher risk, and may be implemented on a trial basis for the purposes of proving innovative technologies or concepts
- \$65 M: Deployment projects are typically implemented on a wider scale, on a more permanent basis, with funding aiming to close a market gap

Technology Readiness Levels

Level 9: Actual technology proven through successful deployment in an operational setting.

Level 8: Actual technology completed and qualified through tests and demonstrations.

Level 7: Prototype ready for demonstration in an appropriate operational environment.

Level 6: System/subsystem model or prototype demonstration in a simulated environment.

Level 5: Component and/or validation in a simulated environment.

Level 4: Component and/or validation in a laboratory environment.

Level 3: Analytical and experimental critical function and/or proof of concept.

Level 2: Technology concept and/or application formulated.

Level 1: Basic principles of concept are observed and reported.





GI Phase 2: Smart Grid Demonstration & Deployment Proposal Evaluation

PCQ Closed Oct 2, 2017 Jan 16, 2018 Jul 20, 2017 \$560M\$576M \$167M\$194M \$35M \$65M Available Requested Leverage ■ Demonstration ■ Deployment 86 total

Closed Mar 4, 2018 **Proposal Evaluation** Mar 5-29, 2018

Selection Period April 2018 - May 2018

24 Projects selected Due diligence begins

Project Announcements Summer 2018 - Fall 2018

\$100M/4 years for demonstrations and deployments of key, low carbon enabling smart grid technologies that target:

- GHG reductions
- Job creation (especially for women)
- Improved cybersecurity

Data management and communication

- Distributed Energy Resource Management Systems
- Energy storage
- EV integration
- Generation (out of scope)
- Grid monitoring and automation
- Microgrid grid-connected
- Microgrid off-grid
- Renewable Integration

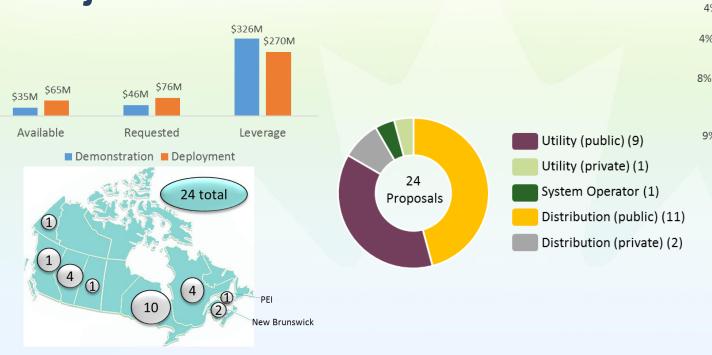
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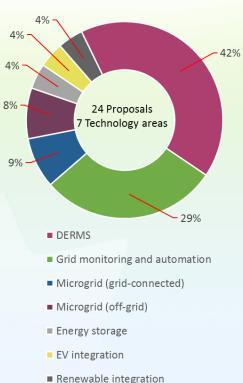




Canada

Smart Grid Demonstration & Deployment Selected Projects











Integrating Distributed Generation into Secondary Networks in Large Urban Centres

Lead Proponent: ENMAX Power Corporation

Location: Calgary, Alberta
SG Contribution: \$ 1.426 Million
Project Total: \$ 2.852 Million

Strategic Area: Smart Grid technology

Project Partners: Alberta Smart Grid Consortium.

Project Summary and Objectives

- In the City of Calgary, generators are not allowed to export energy onto secondary or spot networks.
- Using a combination of advanced monitoring and controls as well as protective relay configuration changes that allow for export, the proposed project will demonstrate how solar PV can be safely integrated into secondary and spot networks.



https://www.enmax.com/home





Smart Grid Investments in Canada



Public Investment Details



Data as of October 1, 2018



^{1.} Infographic does not include academic funded networks.

The Ministry of Ontario Energy, Northern Development and Mines Smart Grid Fund is not included due to commercial sensitivity.

Varennes SmartZone

Within the Varennes smart zone, there are thousands of monitoring and control points on the grid. AI will process this data, issuing commands to grid assets and negotiating with customer loads to better manage the grid.

Benefits: Capital investment deferral, reduced grid energy losses, improved renewable utilization

Library

This net-zero energy building manages its behaviour through a building energy management system to make it a good grid citizen.







Smart Homes

with Demand

Response

Advanced Substation and SCADA System

Commercial Enterprises

Al minimizes energy demand charges while managing the needs of the businesses, e.g., complex inventory management systems



Assets: HVAC, flexible loads



IREQ (Laboratory)

IREO's selection of various state-ofthe-art equipment is assessed to see what it can offer to the grid. All is used to develop the numerous test cases required to ensure value in all feasible grid conditions.

Assets: Battery, EVs, grid simulator, solar PV/T, etc.

Distributed Renewable Generation



AI, integrated into the building's energy management system, operates generation, load, and storage to maximize renewable energy use, minimize energy costs, and maintain occupant comfort.

Assets: Controllable generation (PV) and loads (HVAC, EVs, and ice bank)

Distribution Test Feeder

Grid-connected Battery





For follow-up...



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