

Innovation type:  
Computer model

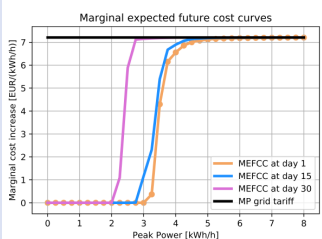
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Target group:

Actor/ purpose	x
DSO, TSO	X
Technology provider	X
Member organisation	X
Market operator	X
Research/ Consultancy	X
Teaching	X



Plot showing the marginal cost increase of a buildings' total cost based on the highest peak import, when exposed to a monthly measured-peak (MP) grid tariff. The curve considers more days over the month the earlier in the month one analyses.

## SDP model for operation planning of flexible resources in buildings

*The goal of this work has been to find the value of flexibility for buildings in a long-term operational setting, which considers longer periods (from days to months) and uncertainty.*

### Challenge

Including the future impact of current decision-making within building energy system scheduling can be crucial when future long-term operational costs are considered. Without including the future long-term value in a short-term setting, the operational planning can be inaccurate for the total picture. Instruments that couples decisions in time, like monthly capacity-based grid tariffs and yearly zero-emission compensation should be taken into account when scheduling building load and utilization of flexibility, especially since the long-term future can be uncertain.

### Solution

The model made is a long-term operational model inspired by water value calculation in hydropower. The model captures the future (uncertain) impact of current decision-making through the use of non-linear cost curves. Through the use of Stochastic dynamic programming (SDP), the model analyses from the last day to the first day all stochastic results that can occur for a specific state variable (for instance the highest measured peak import for a building). The non-linear curves represent the future cost increase by affecting the state variable, which shows the sensitivity of this variable.

### Potential

The model can be further developed into a practical operational tool for scheduling of building energy systems. The long-term planning can be combined with a short-term operational model so that both the short-term and an overview of the future is also considered. It can also be utilized by grid companies who want to study in detail how flexible end-users can respond to different grid tariffs and grid limitations.

### Reference in CINELDI

The model is developed by Kasper Thorvaldsen as part of his PhD project financed by FME CINELDI (50% and FME ZEN (50%).

K. Thorvaldsen, S. Bjarghov, H. Farahmand, The flexibility management in a household under uncertain demand with measured peak grid tariff, Working paper, 2019.