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# Demand Side Energy Management in Deregulated Environment: A Review

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## **Abstract.**

Demand for Electric Power is elevating because of increasing consumers in the market. With the rise of Smart Grids, customers can also actively get participated in Energy Management Schemes. These schemes are called Demand Response Programs which can reduce the electricity bills and can also give them incentives or perks. The primary intention of DRPs is to diminish energy utilization in course of peak hours and improve the load factor. Also, Renewable Energy Sources do act as an adjunct source besides the grid but it further complicates the system. Certain challenges are there in implementation of DRPs which make Demand Side Management still a faraway dream. The paper presents a review of that and the challenges associated with it.

**Keywords.** Demand Response, Demand Response Program, Demand Side Management, Smart Grid

## **1. INTRODUCTION**

Low carbon methods along with the energy efficiency have gained the attention of the world for a better world. Researchers all over the world have proved that demand response programs are efficient in decreasing the content of carbon dioxide as it is directly dealing with lesser use of Thermal Power Plants. Factors like unpredictable weather; integration of RES with the Grid among other complicates the DRP. The argument continues to the fact that this complication is not at site level but at organizational level. Commercial huge firms, public sector units, lot of smaller level stand alone electricity loads , complicated decision-making, etc. can halter the uptake of DSR. Participation prices which are hidden, issues of bounded rationality and energy application type for different organisations limit the organization ability to participate in DSR also.

## **2. COMMON ENERGY MANAGEMENT STRATEGIES**

Program in [1] provides a captivating incentive for industrial consumers by managing smartly during energy crisis duration. A system with an energy storage unit connected behind-the-meter with a big-scale wind power generator is mentioned in [2]. Analysis of BTM benefits along with resiliency capability of the energy storage units is discussed in

[3], [4] Shows how exciting opportunities are possible with digitization of BTM assets and optimization can be completed using AI and ML. Bi-level optimization exploiting genetic algorithm and linear programming is discussed in [5]. In paper [6], hydrogen energy storage is used for attenuating the irregularities of renewable .Study in [7] examines the bio mimetic energy management along with scope for construction industry reinvention. [8] Highlights the economic approaches in regulations and policies which support sustainability in energy and building.

### **3. DEMAND SIDE ENERGY MANAGEMENT**

[9] Presents two simulation concepts to combine DR strategies into EMS. In [10] quality and quantity of DR were governed by customer experiences affected directly by connectivity, control and care. Findings of literature in [11] has deeply targeted on DR potential along with economic, theoretical and achievable potentials. [12] aims to study market of DR - risk nexus. Design along with operation optimization is addressed in [13] to gain the complementary benefits of sub-systems while advancing individual systems. [14] Effectively handles interoperability along with integration in various heterogeneous devices at consumer end which comes along with plug-play feature, zero configuration coherent networking. In [15] integrated demand response (IDR) is discussed where all types of energy customers (electricity, heat, natural gas, etc.) partake in DR. [16] formulates conflicting yet co-operative liaison between the utilities and end-users as a Stackelberg game where equilibrium points are attained by backward induction method. At the equilibrium, the utility company adopts real-time pricing scheme. [17] Scrutinizes history of DRPs and the practices of DR in the US, other nations in Asia and Europe which proves that DRPs is a hit in lot of nations for decrement of outage. However equipment price and standardization lacking still causes setback.

### **4. DEMAND SIDE ENERGY MANAGEMENT OF POWER SYSTEM**

The model in [18] expresses that genetic-based heuristic updates accuracy of energy demand prediction whereas intra-day prediction refinements further decreases day-ahead prediction error. An online droop-based DR, generalized is popularized for application in islanded MGs frequency control in [19]. [20] Addresses issues which are related to bumpiness of supply, PV penetration, back-feeding, etc. In [21] recent use of deregulation in Indian Power Sector has been described [22] Proposes a simple solution by reducing proper management of Electricity distribution .Use of convoluted PV Model, Wind Turbine and home needs, developed in Simulink in [23] by Load Shifting method for HEMS controller. An energy detection algorithm depending on generalized stochastic resonance is adopted in [24] to improve the spectrum sensing accuracy with the conditions of low signal-to-noise ratio without alleviating the system overhead. In the proposed method of [25], loads which are in controlling nature are relocated to time when the difference between load and RE generated power is maximum which is in consideration to the consumers' welfare. In [26] by application of probability theory uncertain optimization model is transformed into a complicated optimization problem. EMS framework which is of three stage is proposed in [27]. Detailed reviewing of 34 power-to-heat demand response projects of large scale of is done in [28]. The literature review suggests that period of energy sector restructuring popularized uncertainty to energy companies

regarding P2H DR. In [29] to resolve the issues of setting UFLS parameters stochastically, a MILP formulation is used for optimization framework. In [30], a distributed optimization method which is based on alternating direction method of multipliers algorithm with Gaussian back substitution is proposed. In [31] The electrode boiler is steered based on the predicted imbalance price, making use of the price volatility and single imbalance pricing mechanism as used in Belgium. In [32] novel online generalized droop control is introduced to apply in islanded MGs frequency control. [33] Propose an energy prediction model using genetic heuristic. The article [34] aims of optimizing the energy costs that will be transferred to users depending on its stratum. Implementation of an efficient hybrid energy trading market along with reduced price and peak to average ratio of electricity is done in [35]. Optimization problem with lot of constraints is solved using heuristic algorithms in [36]

## 5. OPTIMIZATION TECHNIQUES OF POWER SYSTEM

Power systems are very large and complex so its optimization problems are difficult to solve. [37] Proposes a system with multi energy inputs and outputs,  $2m + 1$  point estimation probabilistic scheduling scheme [38] overviews mathematical optimization methods.[39] has work on Optimization of Reactive Power Dispatch[40] Explores potential of metaheuristic methods and an improved salp swarm algorithm is proposed .In [41] Information gap decision theory technique is proposed. A microgram reactive power management approach in iterative nature and power-electronic converter depending renewable technologies is proposed in [42].

[43] Shows how Electricity prices on market are becoming volatile. There is a chapter which describes various algorithms used in optimization methods in [44]. In [45] Researchers have proposed novel bi layer Volt-Var based control strategy. In [46] an index of loss of power supply probability and of heat supply probability is formulated. Some authors have worked on Hybrid approach [47] which is based on marriage of firefly algorithm and adaptive fuzzy PSO. There is a work which reports a Volt/Var algorithm in [48].Parameters like frequency or voltage can be used as a factor for design of advanced metering infrastructure in SGs as in [49] like under-frequency load shedding. In [50] ORPD issues are solved by formulating smart controller with effective monitoring the real power loss of SGN. Elephant herd optimization which is a firefly evolutionary algorithm is used and power flow is limited in transmission network and summation with DGs. Various combinations of multi objective PSO and fuzzy decision making methodology is utilized in [51].

Steady state voltage stability index called by load margin, can be selected as network performance indicators as done in [52] with a PSO used to modify DSM program in the time steps of planning horizon and load margin is reduced. In [53] a decoupling optimization framework is devised which solely treat problems sequentially from the demand to generation can side with benefit caused by DR is allocated between users using cooperative game theory. Classic DSM technique implemented in [54] for IEEE 33 bus system .An exclusive literature review on impacts of DSM on trustworthiness of power systems discussed in[55]. Linear model for resource scheduling of Micro Grids and algorithms attached to it are attracting focus currently due to simplicity and fast computation as discussed in [56].

## 6. CONCLUSION

There is a need of development for a fair, centralised and 24-hour analysis control based system using local measurements for consumer and utility with a secure, and organized bidirectional communication which involves the consumer engagements and perks, without increasing the complexity of the system and lasting equity between supply and demand is needed.

Objective functions for research work should consider following parameters:

- 1) Minimization of Uncertainties (Load, Price, Voltage Deviations, Forecasting), Active Power losses, Violation limits
- 2) Maximization of exceptional amalgamation of distinct variables in optimization problem, Input Output control, Self Maintenance, Reactive Power dispatch
- 3) Scheduling of Battery storage, type of market, interoperability, integration and penetration of RES, data acquisition, storage and processing.
- 4) Maintain balance of actual time and its control effects and results os optimization, system flexibility with increase in the degrfes of freedom, standardization

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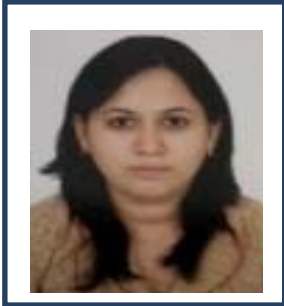
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