# Renewable Energy and Beneficial Electrification in the Arctic

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About Kotzebue Electric Association (KEA)

- Located above the Arctic Circle in Northwest Arctic Borough
  - Hub community of 3,200 with 11 surrounding villages
  - 1300 meters
- KEA operates a wind/PVdiesel hybrid power system
  - Average load 2,500 kW; 3,500 kW maximum
  - 6 diesel gensets 725 kW to 3,080 kW (~12MW total)
  - IMPORT ~1.2 million gallons diesel annually
  - ~2,400 kW of total renewable power generation
  - ~4 million kWh annual wind&PV production – 15
     - 20% energy penetration
  - Average cost to members – ~\$0.39 kWh w/out PCE
  - Average cost to members – ~\$0.20 kWh with PCE



KEA Energy System

- 11 wind turbines (9 <100kW & 2 EWT 900kW)
- One 1.25MW/950kWh Li-ion battery (SAFT & ABB)
- Diesel genset automation and engine upgrades (EMD 8cyl 710 EFI is our "wind engine" and CAT C27 "fast start")
- 450kW electric boiler at local hospital (hydronic heating w/ 30x 15kW steps)
- 532kW(AC) Solar PV array (commissioned July 2020)
- 15-20% power gen fuel savings per year.
- Legacy PLC AMI system being replaced with EATON RF.

# EWT 900kW on 75m Tower (winter construction)





SAFT 950 kWh Battery (ABB 1.2MW Inverter in Plant)



### EMD 8-710 efi 1440kW "wind engine"



#### Hospital 450kW Electric Boiler (first B/E Project in 2016)



### 532kW PV Array (replaces eight 66kW wind turbines)



#### PV construction uses local talent... great for the local economy!

It's taken **KEA 25** years to get to where we are...

- 1990s KEA Board and GM Brad Reeve leadership
- Significant grant funding along the way:
  - NRECA (initial wind study)
  - US DOE/NREL (AOCs, NW100, V15)
  - State of Alaska REF (EWTs, battery and electric boiler)
- USDA-RUS Loan for diesel plant switchgear upgrades
- Successes and failures along the way
- Wind technology and integration knowledge evolving
- Energy storage is real and works!
- Solar is real and works well in Arctic, Rural AK!
- *"Microgrids" are cool now...*

Why bother messing with wind and solar power?

- <u>Primary</u>: Power gen diesel displacement (largest annual expense)
- <u>Secondary</u>: B/E Heat generation from excess wind power (stove oil displacement for homes, businesses and community facilities)
- Workforce opportunities (construction and O&M)
- Help the environment (check your air permit)
- Energy security and resilience
- Community pride
- Other or All of the above...?

KEA 2025 Vision...

- 50-60+% power generation diesel fuel displacement via:
  - More wind power! ~4MW tot. (add two EWT 1MW turbines)
  - More PV power! ~1.5 MW tot.
    (~540kW-AC in progress!)
  - Diesel-off/on automation w/ aux. plant heating system (electric and oil).
  - Medium term battery energy storage system with full-load, grid-forming inverter (~4MW/8MWh)
  - Move to an "Electric local economy" with significant beneficial electrification:

# Community Scale B/E for Heating Oil Displacement

**Energy poverty:** Annual home heating oil cost is 3-4 times higher than electrical cost (State PCE)

Heating oil in Kotzebue is *\$8/gallon*.

Kotzebue average temperature is 26degF (no air conditioning needed in summer!)

Planned deployment (pilot project 2024):

- ~5-8 kW electric heating device installed in home heating systems (electric boiler, *Steffes, Inc. GETS* heater, electric duct heater, water heater boosting, etc.)
- Eaton Yukon and Eaton RF Mesh system devices will be used for dispatch, control and metering.

# Kotzebue B/E Heating Program

Pricing of excess renewable electric heat will be ~50% (TBD) of the equivalent oil heat cost.

Cost of installation of the B/E heating device in the home is TBD (ideas?)

Planning the use of an energy sub-meter for the B/E heating device.

Eaton *Demand Response Management System (DRMS)* will be used to dispatch excess RE power.

## Eaton DRMS Deployment

- Eaton DRMS components will be used to control the Kotzebue Community B/E system:
  - "Advanced Load Management and Control": Dispatch strategy with Load Control Switches will be developed for ADDING LOAD to the system when excess renewable power is available.
  - "Asset Availability & Management": KEA power plant operators can see what devices are working or not and respond accordingly.
  - "Enterprise Integration Module": The KEA power system SCADA will be connected to DRMS to signal how much excess power is available for dispatch to B/E.

# Kotzebue Community B/E Program Goals



Reduce home heating oil consumption with B/E by 50% (75+% reduction possible with home energy efficiency improvements and heat pumps).



Reduce energy poverty in community by reducing cost of heating.



B/E heating revenues stay in the community to support the cooperative.



Increase local jobs and improve local economy.

## Thank you!

<u>Next:</u> EVs in the Arctic! First Nissan Leaf in Kotzebue! Our Ford Lightning is on order... (gasoline is \$7/gal)

