

Evaluation of Field Performance of Residential Fuel Cells

Subcontract Number: AAD - 1 - 30605 - 12

Principal Investigator: Edward Torrero, CRN Arlington, VA NREL Technical Monitor: Holly Thomas

Electric Distribution Transformation Program

2004 Annual Program and Peer Review Meeting, October 28-30, 2003, Coronado (San Diego), California

Relevance to Problems and Needs

DoE Vision and CRN Demo Program

Grid 2030 Vision

Three major elements: * national backbone...

* regional interconnections...

* local distribution mini-grids ...

Targets

2010: 100% of distribution systems allow DG ...fully integrated...

2020: Customer total energy systems for power, heating...

2030: Stationary power systems for customers

Decrease fossil fuels by 30%

Directly Applicable

CRN RFC (Residential Fuel Cell) Demonstration Program:

- Evaluate the barriers to, and value of, RFC DG
- Install, collect, assess installation and field performance
- Investigate regulatory and institutional issues
- Make information available to co-op and DG community

DoE Roadmap and CRN Demo Program

CRN Co-op RFC Demo direct applicability to Roadmap:

Targets

T&D Losses 7%→ 4%
Improve Efficiency by 3%
Halving Losses
Penetration on-site generation w CHP
High efficiency DG devices

Challenges receiving at least six votes

Increased power thru ROW's
Collaborative...protocols market integration of DG
Modeling of distribution systems
Network integration of DG
Standards for DG integration
Low cost fuel cell
Adequate operational and planning models
RDD&D resulting in deployment of advanced technologies

This CRN Demonstration directly applies to these Roadmap targets and challenges

DoE Vision - Roadmap and Co-ops



- 36 million customers in 47 states
- 75 percent of nation's area with 45% of line miles
- 6 customers per line mile vs 33 for IOU's



Co-op growth rate twice that of IOU's



Consumer owned, responsiveness

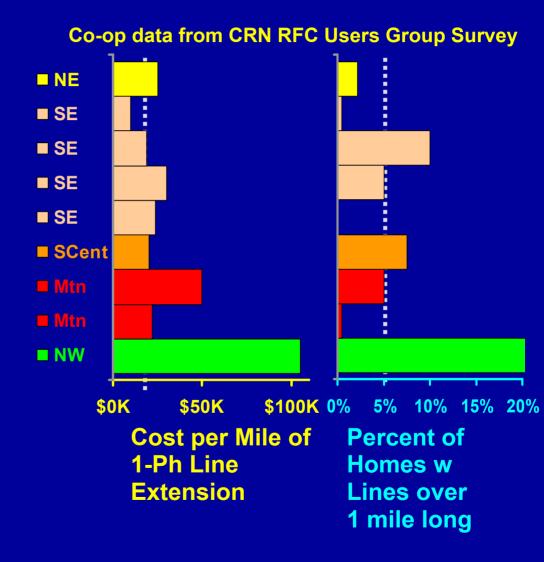


View DG as needed solution; not as a 'problem'

DoE Vision - Roadmap and Co-ops (cont'd)

Edge-of-the-Grid profile favors DG

Remote Residence early-entry RFC market.



Budget, Timeline and Deliverables

Life-Cycle Project Timeline

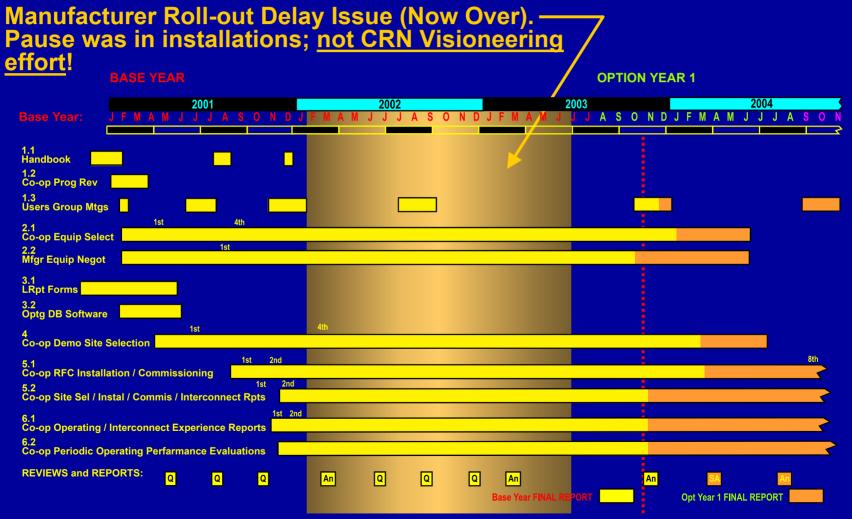


Budgets

	Total (\$K)	DOE/NREL	CRN
Base Year (Date-Date)	\$306	\$99	\$207
Option Year 1 (Date-Date)	442	93	349
Option Year 2 (Date-Date)	248	112	136
Total	\$996	\$304	\$692

CRN-DoE Demo Program Timeline

 Two units already installed and others now ramping up after initial manufacturer's delay.



Technical Approach

Broad Demonstration Program Scale

 Wide range of sites, climates, electric interconnects, and manufacturers



Technical Approach



Analysis

Protocols

Target Visioneering:

What do we have?
What do we need to get to RFC DG?

- Co-op Seminar on technology / needs
 - RFC Demonstration Handbook
- NRECA DG Interconnection Handbook
- DG and other interconnect guides
- **Extensive cost estimating spreadsheets**
- Thermal recovery analysis
- RFC equipment needs
- Knowledge needs and data resources
- Market and sensitivity issues
- etc.

RFC Users Group:

Analysis, Seminars, Reviews, and Reports

What are the issues? How do we solve them? Are grid interconnects acceptable? What is the mature DG market size? What is the DG entrance strategy?

Issues and Needs Co-ops Apply RFC Distributed Generation

Installation and field experience:

Did interconnects work well?
Did mfgrs meet specifications?
What went right? What went wrong?
What can we improve?
What can we do to reduce customer costs?

Technical Approach (cont'd)

CRN RFC Demonstration Tool Kit

Available to CRN Members, RFC Demonstration Participants, and to Manufacturers in overall demonstration program.

METERING AND INSTALLATION GUIDELINES 68 pages

REPORTING INSTRUCTIONS 52 pages

USER GROUP SPREADSHEET TOOLS:

- Detailed System Selection and Installation Cost Estimates
- MarketView Analysis Software
- Water and Space Heating Thermal Recovery Analysis
- etc.

USER GROUP ANALYSIS / REVIEWS Over 50 presentations and reviews

- Electrical grid interconnect and metering
- NRECA DG interconnection guidelines and status
- Electrical interconnect for Customer Critical Loads
- RFC laboratory testing protocols
- Thermal recovery issues and implementation
- Market size, sensitivity, catalog issues
- Remote market size and comparative technology cost analysis
- PEM versus SOx features and dispatch cost issues
- etc.



CRN PROGRAM CONFIDENCIAL

Progress and Accomplishments

Results and Deliverables: Base Year

CRN RFC Demo Handbook

168 pages:

Program, Elect interconnect, Fuel incl methanol, Instrumentation, Thermal recovery, Markets, etc. Supplements: Motor start, Thermal recovery NREL version at: http://www.nrel.gov/docs/fy02osti/32455.pdf

CRN RFC Demo Program Annual Report

127 pages:

Overview, Key deliverables and results, Grid interconnect, Fuel, Thermal issues and resolution, Key market results, etc. Full Version will be posted on NREL site

- User Group Meeting Reports
- Demo Participant Letter Report Guides
- Service Reporting Data Base Setup
- Installation Reports
- DoE Reporting Presentations





Grid Parallel Interconnect: Typical Analysis



Fort Jackson Grid Parallel Interconnect

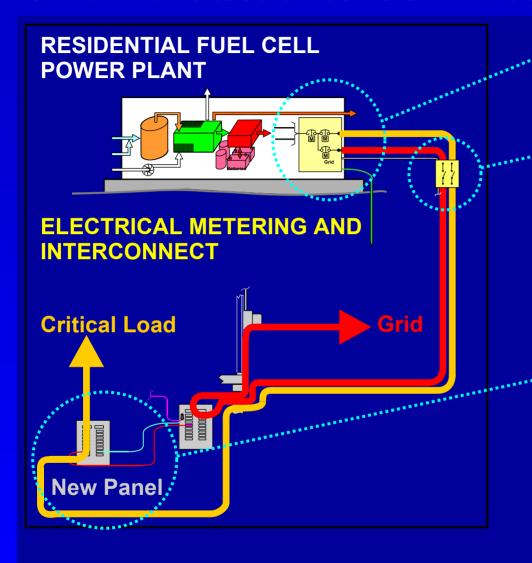
- Typifies co-op
- 2100' from substation
- Plug Power RFC
- 2.5 to 5 kW output
- 3 homes on pole side

Initial Results:

exported power to other homes, and exported to grid through pole Xfmr without any issues.

Over 125 Plug RFCs have more than 1.1 million hours operation without interconnect issues.

Grid Parallel Interconnect: Barrier Efforts



- 1. Reviewed manufacturer grid interconnection system. OK
- ·· 2. \$12 A/C pullout disconnects.
 - Potential \$320 savings



- -3. Prefab Customer Critical Load interconnect.
 - Saves \$185 of installation labor
 - User friendly



Grid Parallel Interconnect: Dispatch Barrier



Incremental Annual Customer Cost of Running Fuel Cell at Dispatch versus Not Running RFC



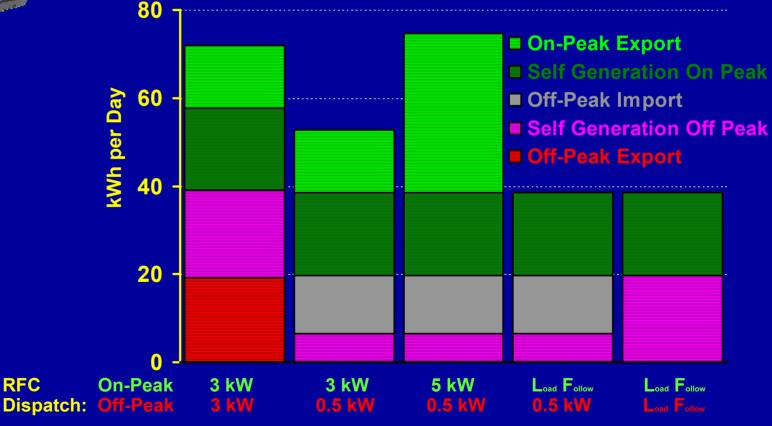
PEM Natural Gas
Propane
SOx Propane

\$295 \$1,805 \$905 -\$80 \$815 \$240

-\$165 \$1,195 \$345

\$5 \$625 \$150 \$1,015

\$200 \$465



Catalog Size Impact

Catalog is only "large" RFC unit:

5 kW unit = \$5,000 + \$1,500 installation

If add a "small" RFC unit

5 kW unit = \$5,000 + \$1,500 installation

2.5 kW unit = \$3,800* + \$1,500

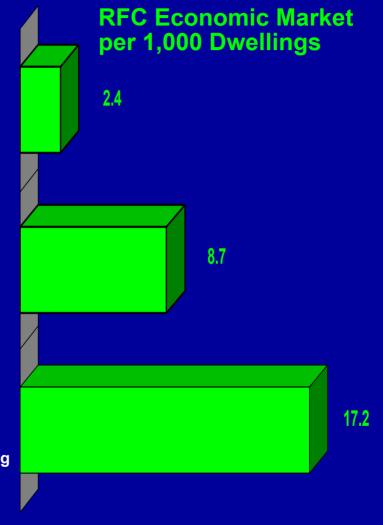
* Calculated by Economy of Scale modeling

If decide to make only "small" RFC units

Dual 2.5 kW = \$5,600 + \$2,000 installation

2.5 kW unit = \$2.800 + \$1,500 installed

* Calculated by Partial Economy of Production modeling



Note: **Electric Prices:**

Year 2000 w 10% Increase **Propane Price:** 115 ¢/Gallon Average

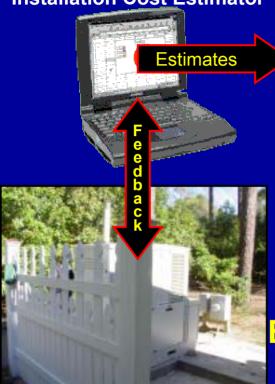
Annual Maintenance: \$300 per year Customer Intangible Benefits: \$30 / Month

Natural Gas Prices: Year 2000 less \$1.00 / Mil Btu Low Region = 87¢ High Region = 138¢ Propane Tank if required: \$1,325 Heat Pump Duct Heater is available: \$900

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RFC Installation Cost: Barrier Resolution

RFC System and Installation Cost Estimator



Typical Residential Fuel Cell Installation

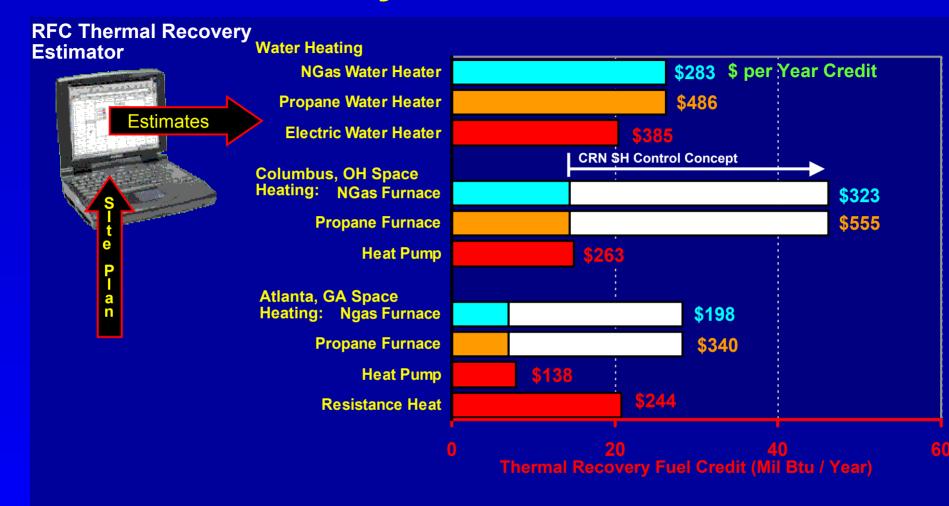
Site Pad, etc	\$1,150
Natural Gas Fuel	850
Electrical Interconnect	2,280
Thermal Recovery	3,630
Water Makeup	1,130
TOTAL	\$9,040

\$ / kW at 3 kW = \$3,010

Extensive barrier resolutions underway:

- Modeling to improve concepts
 - Field data to confirm estimator
- Alternate materials to reduce cost or labor
- Standardized installation concepts
- Clearer installation guidelines
- Simple installation sketches for contractors
- Presupply of parts to reduce field labor
- Prefabrication to reduce field labor

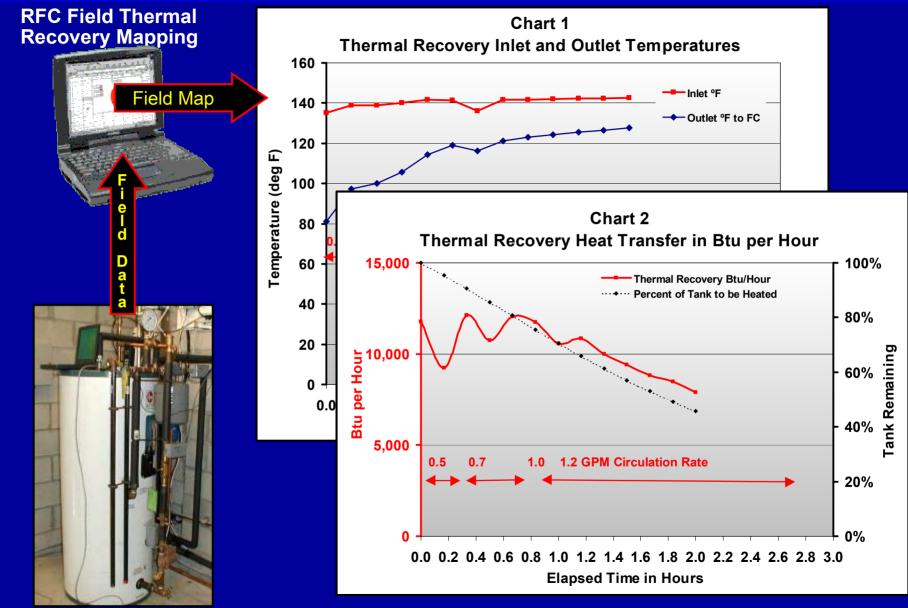
Thermal Recovery: Economic Barriers



- Thermal Recovery can yield significant fuel savings

 Fuel After Thermal Recovery = \$1,050 \$283 \$323 + (0.16 x \$TherRcvyInstalled) Natural Gas
- CRN system concepts greatly increase RFC Space Heating potential

Thermal Recovery: Water Heating Mapping



Courtesy LoganEnergy

Planned FY04 Activities

Continue RFC field installations

- Collect, analyze Installation Costs
- Monitor grid Parallel field performance
- Monitor RFC performance and actual busbar Efficiencies
- Examine differing types of Thermal Recovery systems
- Accumulate and process Service Experience

Continue RFC barrier efforts

- Implement alternate grid disconnects
- Implement less expensive Customer Critical Load Panel
- Review and improve Thermal Recovery installation practices
- Develop prefabricated loop for Thermal Recovery sites
- Work propane Btu and Odorant issues
- Continue interface with manufacturers re catalog, etc.

Continue User Group efforts

- Increase attention on Installation Cost issues
- Implement a Space Heating thermal recovery site
- Increase attention to Early Entrance DG Market planning

Continue collaborative outreach

Impacts and Benefits: Affordability Reliability Security

Vision and Roadmap CRN RFC Metrics

- Each kW of RFC DG capacity eliminates equivalent
 T&D line losses.
 10% RFC DG = 220,000 MW
- RFC CHP incremental-fuel-to-electric efficiencies readily reach 60+ percent.
- RFC Dual Mode freedom from grid outages is a key consumer benefit.
 Ice storms, hurricanes, etc.
- Customers buy an installed Black Box. Installation experience just as important as \$/kW technology targets.



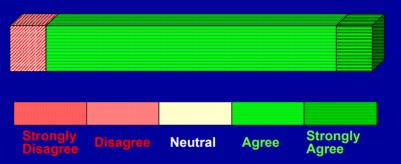
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Vision and Roadmap CRN Metrics (cont'd)

 RFC's can make an excellent grid storage device, under study in CRN demo program.

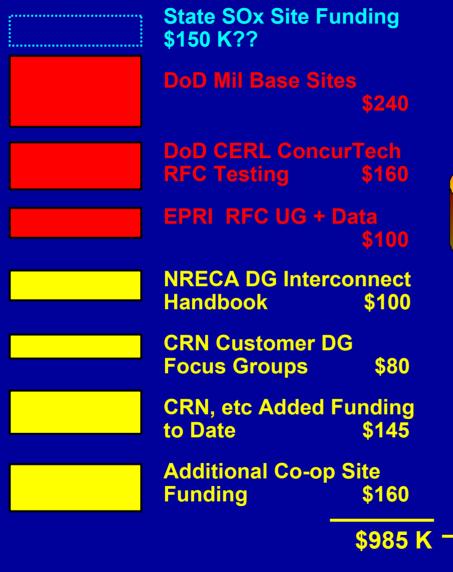
CRN RFC Demo Program: RFC User Group Co-op Survey

OK for RFC to RELY on grid for BATTERY CHARGE power during NIGHT-TIME?



Collaboration, Interactions and Outreach

CRN Program Collaboration



- CRN Contract■ DoE NREL■ Collaboration & Supplements
- \$692 \$1.98 Million

DoE-NREL Substantial Leveraging:

15% of \$1.98 Million Total

Collaboration and Outreach

- Co-op demos include a broad range of public awareness programs and outreach (commissioning ceremonies, open houses, local group presentations, site tours, brochures, bill mailers, etc.)
- Presentations to: co-op and industry working groups, DoE meetings, Joint Co-op/EPRI meetings, Fuel Cell Manufacturers Group, etc.
- RFC User Group meetings with manufacturers
- Significant joint effort with DoD-CERL
- Applicable information posted on NRECA CRN websites
- NRECA Annual Meeting displays/presentations reach over <u>5,000</u> senior co-op management and Directors

Collaboration and Outreach (cont'd)

NRECA DG Interconnect Handbook

105 pages:
P1547, Explanation, Why needed,
Safety importance, How to
implement, etc.

Full Version at: http://www.nreca.org/nreca/Policy/Regulatory/DGToolKit/DGApplicationGuide-Final.pdf



 Real-time internet access to some field units

