## aws re: Invent

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## NextEra Energy & AWS: Renewable energy innovation & grid modernization

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## Agenda

- **01** Changing energy landscape
- **02** Reinventing energy through cloud
- **03** Modernizing the grid to accelerate decarbonization
- **04** NextEra Energy
- **05** Complexity of decarbonization
- **06** Using data for accurate decarbonization journeys
- **07** What the future holds

## Cloud technologies are critical in supporting the energy transition and enabling a modern energy grid



RAPID ENERGY DIVERSIFICATION non-fossil fuel share of primary energy grows up to 34% by 2050



INCREASING ELECTRIFICATION global electricity generation will increase by up to 76% by 2050



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#### DECARBONIZATION

Global investment in clean energy is on course to rise to USD 1.7 trillion in 2023



### RAPIDLY EVOLVING EV sales jumped from 9% in 2021 to 14% in 2022, a 10x increase from 2017

## Energy companies are reinventing themselves through cloud to help navigate the energy transition



## Modernizing the energy grid to accelerate the energy transition

#### **GRID OPERATIONS**



To meet national climate targets, grid investment globally needs to nearly double by 2030 to over USD 600 billion per year

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#### INTERCONNECTION



At least 3 000 gigawatts (GW) of renewable power projects, of which 1 500 GW are in advanced stages, are waiting in grid connection queues

#### SIMULATION



To achieve a decarbonized electricity sector, the electric grid must expand 2-5 times, underscoring the need for planning & simulation technologies

#### ENGAGEMENT



As customers become more informed, they are seeking energy management programs that can help drive decarbonization

**AWS for Energy** 

### **Extensive** energy industry expertise

- Geophysicists
- Geologists
- Sub-surface professionals
- Transmission operators

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### Unrivaled technology expertise

**AWS** 

for

Energy

- Solution architects
- Cloud professionals
- Software development engineers
- Systems engineers
- Programmers
- Security professionals



 $\begin{bmatrix} \mathbf{17} \\ \mathbf{R} \end{bmatrix}$  Avg. years of energy experience



**200+** Energy solutions and accelerators



## Leading energy companies across the value chain are successfully transforming on AWS



## We are at an inflection point for our commercial & industrial markets and the U.S. economy.

Decarbonization is everyone's legacy



## NextEra Energy is a clean energy leader

#### COMPOSED OF TWO PRIMARY BUSINESSES



#### NextEra Energy, Inc.

- Fortune 200 company<sup>1</sup>
- 95-year track record
- \$21B operating revenue<sup>2</sup>
- 67 GW in operation <sup>3</sup>
- NYSE: NEE
- 1. Fortune's 2023 Rankings

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- As of 12/31/22 Annual Report 2022 Form 10-K
  Gigawatts shown include assets operated by Ene
  - Gigawatts shown include assets operated by Energy Resources, including those owned by NextEra Energy Partners as of 3/31/23; excludes assets which have been sold parties but continue to be operated by Energy Resources. Investor Report 2022.



#### NextEra Energy Resources, LLC

- World's largest generator of renewable energy from the wind and sun
- 34 GW net generating capacity<sup>2</sup>
- Operating in 40 states & Canada<sup>2</sup>

#### Florida Power and Light (FPL)

- One of the largest U.S. electric utilities<sup>2</sup>
- 5.8MM customer accounts<sup>2</sup>
- 31 GW net generating capacity<sup>2</sup>

## NextEra Energy's goals

OUR GOAL IS TO BE COMPLETELY CARBON EMISSIONS FREE BY NO LATER THAN 2045

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Decarbonize the U.S. power sector **3** Lead the decarbonization of the U.S. economy

## Let's zoom in for a minute: We are making progress in lowering carbon emissions

#### BUT THERE IS MORE WORK TO BE DONE



U.S. greenhouse gas (GHG) emissions by economic sector, 1990–2021

## Setting decarbonization goals has been increasing

More companies making commitments to decarbonize, which increases overall





NEXTera

ENERGY 0

## How we can decarbonize the U.S. economy

#### MULTIPLE SOLUTIONS ARE PACKAGED TOGETHER TO REDUCE EMISSIONS



The complex decarbonization journey needs a tailored, data-driven design to effectively reduce emissions.

## Using data for accurate decarbonization journeys

## Increasing resolution

EVERY BREAKTHROUGH IN HISTORY HAS BEEN ACHIEVED BY INCREASING RESOLUTION



## A multidimensional problem

WEATHER IMPACTS RESOURCE, GENERATION IS DISTRIBUTED, AND LOAD IS CONTROLLABLE



## Central availability of clean, accessible and highly performant data is critical to solving this problem





## NextEra Analytics Generation Entitlement (GenE)

TO SOLVE A MULTIDIMENSIONAL DATA CHALLENGE, WE HAVE USED OUR IN-HOUSE PATENTED ALGORITHM CALLED GEN-E

Every day, NextEra Analytics analyzes over 20B data points from nearly 24,000 generators representing 30 GW of installed capacity

- Improves performance and reliability
- Provides feedback into design decisions (HUGE!)
- Example: Learned that industry needs to use minute-level solar modeling instead of hourly to make investment decisions

Built on AWS, the data and insights gained allow us to improve our tools and innovate on new products that unlock even more business value





## **Better solar**

#### CAPITALIZING ON MINUTE-BASED ANALYSIS: ASSESSING AND DESIGNING A SOLAR PROJECT IS A COMPLEX ENDEAVOR WITH MULTIPLE CONFLICTING DECISIONS



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## Improving wind farm design

#### LET'S UNDERSTAND THE DIFFERENCES BETWEEN DESIGNING SOLAR AND WIND

#### **Typical solar project:**

- Measures 1–2 miles across
- Generally has 5–10 obstacles
- Compact block
- Contains "constant" resource

#### **Typical wind project:**

- Measures 10–20 miles across
- Generally has 10–30K obstacles
- Interwoven with community
- Variable resource





## Wind project optimization

A FULL WIND PROJECT DESIGN OPTIMIZATION REQUIRES EXTENSIVE COMPUTING POWER



## Evaluates **30,000,000+**

wind resource data points

### 10,000+

site-specific design constraints

Evaluates 10,000,000+ turbine siting combinations



## Complete in ~24 hours

5 designs would have taken ~4 weeks in 2017

## **Battery optimization**

OPTIMIZING THE REAL-TIME SCHEDULING AND DISPATCH OF ENERGY AND LOAD, RESULTING IN TOTAL ENERGY COST SAVINGS



- Supply optimization AI-powered tools to design a renewable solution that matches load at the lowest COE
- 2. Net demand forecasting detailed and aggregate net forecast of load and generating facilities
- **3. Procurement optimization** machine learning algorithms deliver savings by identifying procurement opportunities in day-ahead and real-time markets
- Load modification reduce supply cost by optimizing load shape to reduce demand charges, shift peaks or minimize shape risk with forward hedges
- 5. Portfolio monitoring transparency into real-time energy performance

## Financial discipline along the journey

ENABLING THIS KIND OF INNOVATION REQUIRES DELIBERATE ATTENTION ON BUILD AS WELL AS OPERATIONAL MAINTENANCE COSTS IN THE CLOUD





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NextEra Analytics applies a rigorous set of cost management techniques against cloud resources to ensure maximum cost performance and triple 9 reliability, while maintaining near-infinite scale with the power of AWS

- AWS Cost Explorer → Out-of-the-box functionality allows incredible transparency to current spend
- NEE Cost Copilot → Custom algorithms proactively monitor and self-heal resources that deviate from expected performance and cost
- 3. Strategic account consolidation → Gives the flexibility to bundle services to achieve the maximum discounts offered by AWS
- 4. Dedicated FinOps teams → Tightly aligned with AWS technical and account management groups to provision and enable new services to continue to drive down cloud costs

## AWS Quickly became the technical backbone of EDP (Enterprise Data Program)



## Leveraging AWS offerings and services

AS THE PROGRAM HAS GROWN, AWS HAS SUPPORTED NEXTERA ENERGY'S ENTERPRISE DATA JOURNEY WELL BEYOND INFRASTRUCTURE



## **Centralized data analytics**

CONTINUES TO ENABLES NEW VALUE MORE QUICKLY THAN PLANNED



#### **Predict and secure demand**

- Clean energy solutions •
- Lead profiling •
- Land acquisition ۰



#### **Resource management**

- Onboarding •
- Access management •
- Learning and development •



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### **Build assets**

- Drones ٠
- AI/ML ٠
- Automation •



#### Weather impact

- Impact planning •
- Load forecasting ٠
- Damage modeling ٠



#### **Customer analytics**

- Fraud detection & prevention
- **Proactive monitoring**
- IvR & customer experience •



#### **Asset intelligence**

- Smart outages
- Predictive maintenance •
- Value-based decisions •



# Decarbonization is everyone's legacy and requires collaboration.

How will you leverage data and analytics to reach your goals?

## Thank you!



Please complete the session survey in the mobile app

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