

# Cost-aware load shifting for geographically distributed data centers

Nathaniel Horner

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Photo source: <http://www.google.com/about/datacenters/gallery/#/tech>

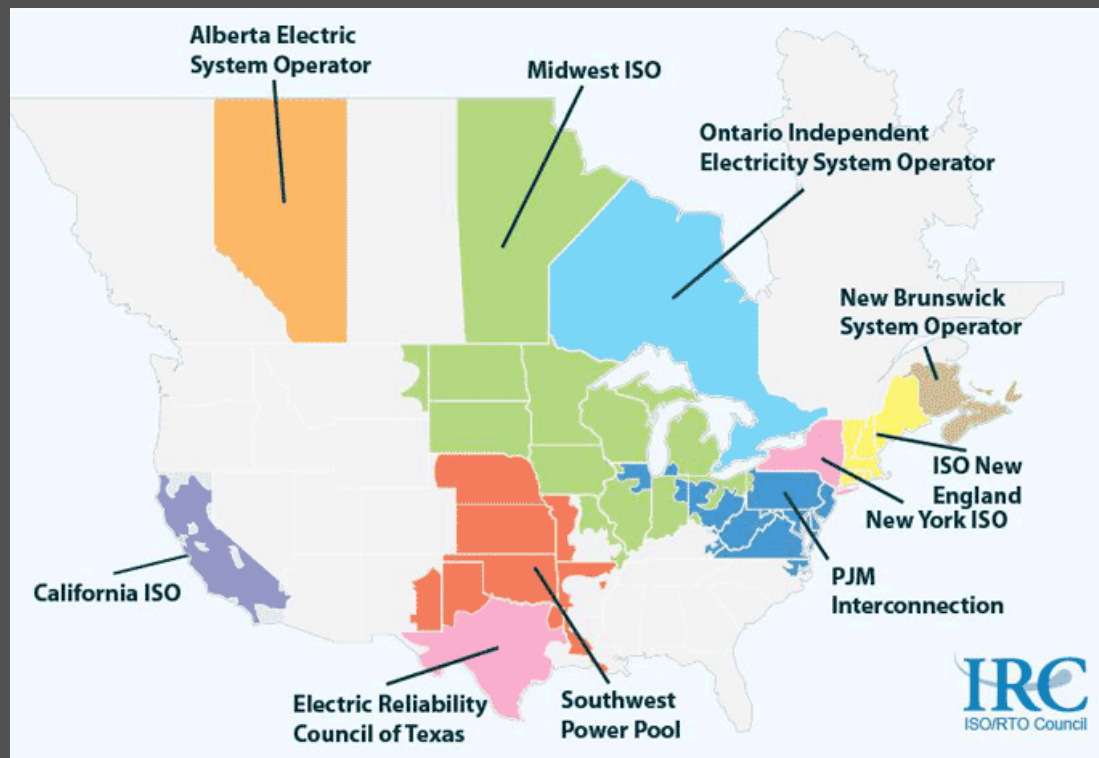
# Research Question

“Physics tells us it's easier to ship photons than electrons; that is, it's cheaper to ship data over fiber optic cables than to ship electricity over high-voltage transmission lines.”\*

What are the potential savings from **shifting computing load** among nodes in a network of geographically distributed data centers to **minimize the true social cost of electricity** used in their operation?

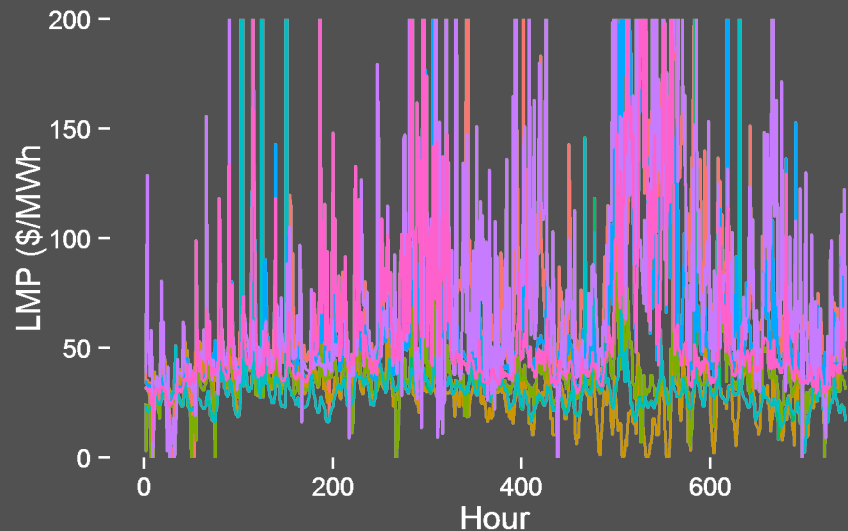
# Electricity prices from RTOs/ISOs

- Locational marginal prices (LMPs) for real-time wholesale market
- At relevant aggregate pricing nodes (APNs)
- Aggregated to hour intervals

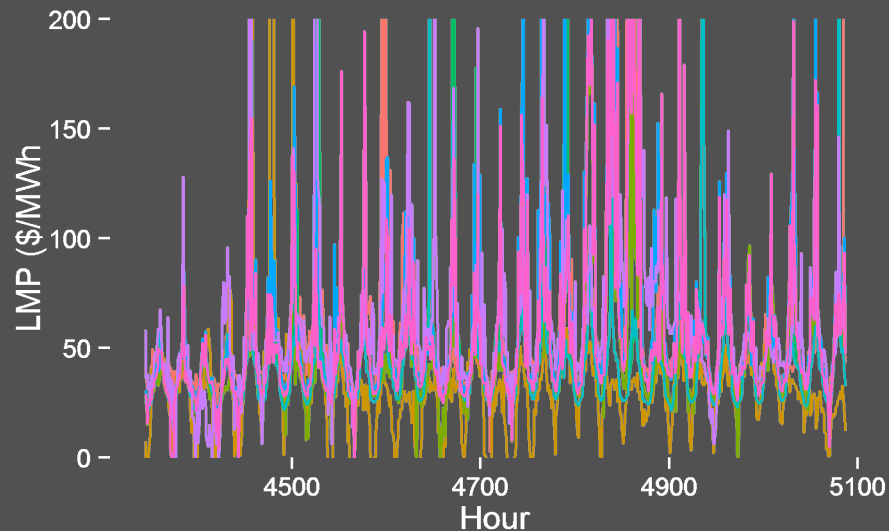


# LMPs vary temporally and spatially

January



July

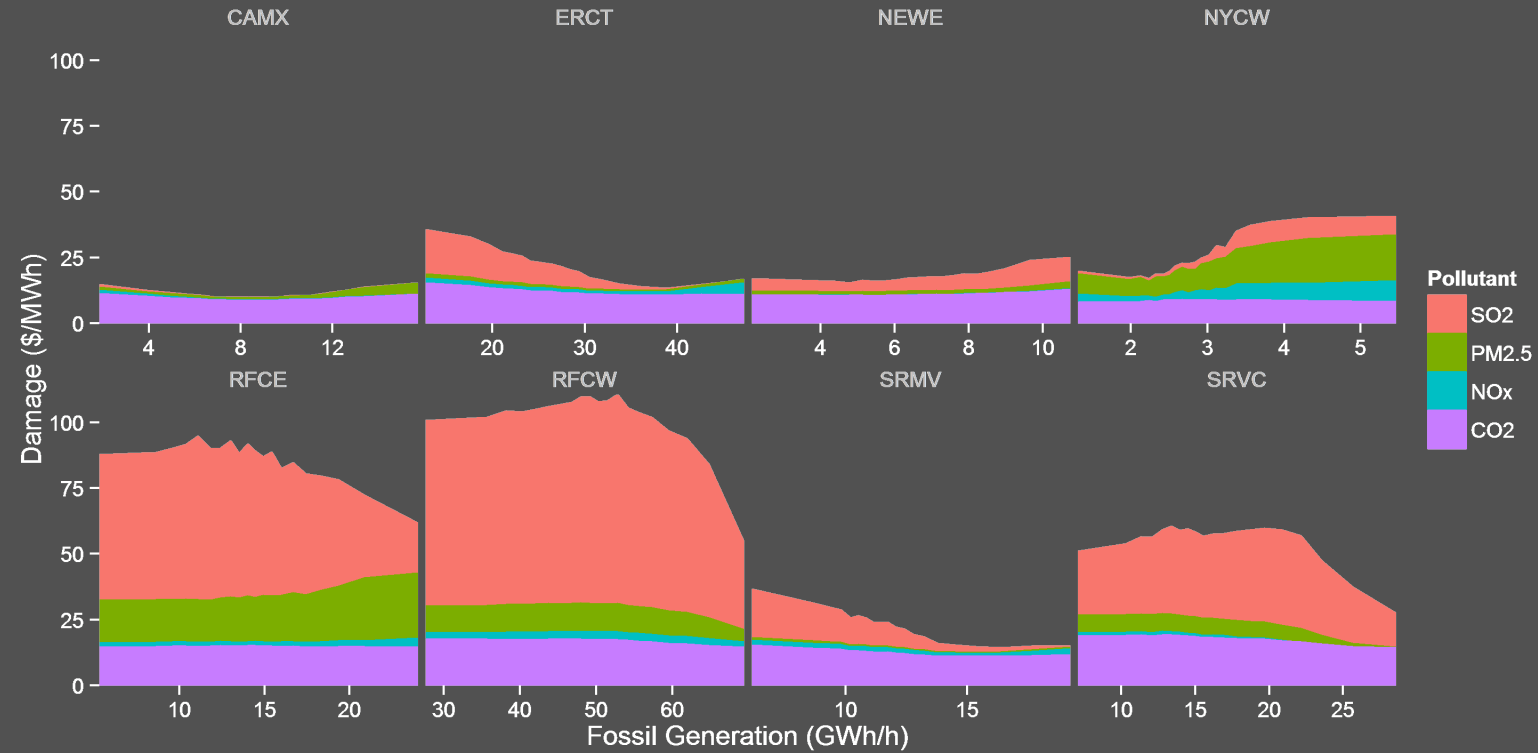


Y-axes truncated at [0,200]

## Region

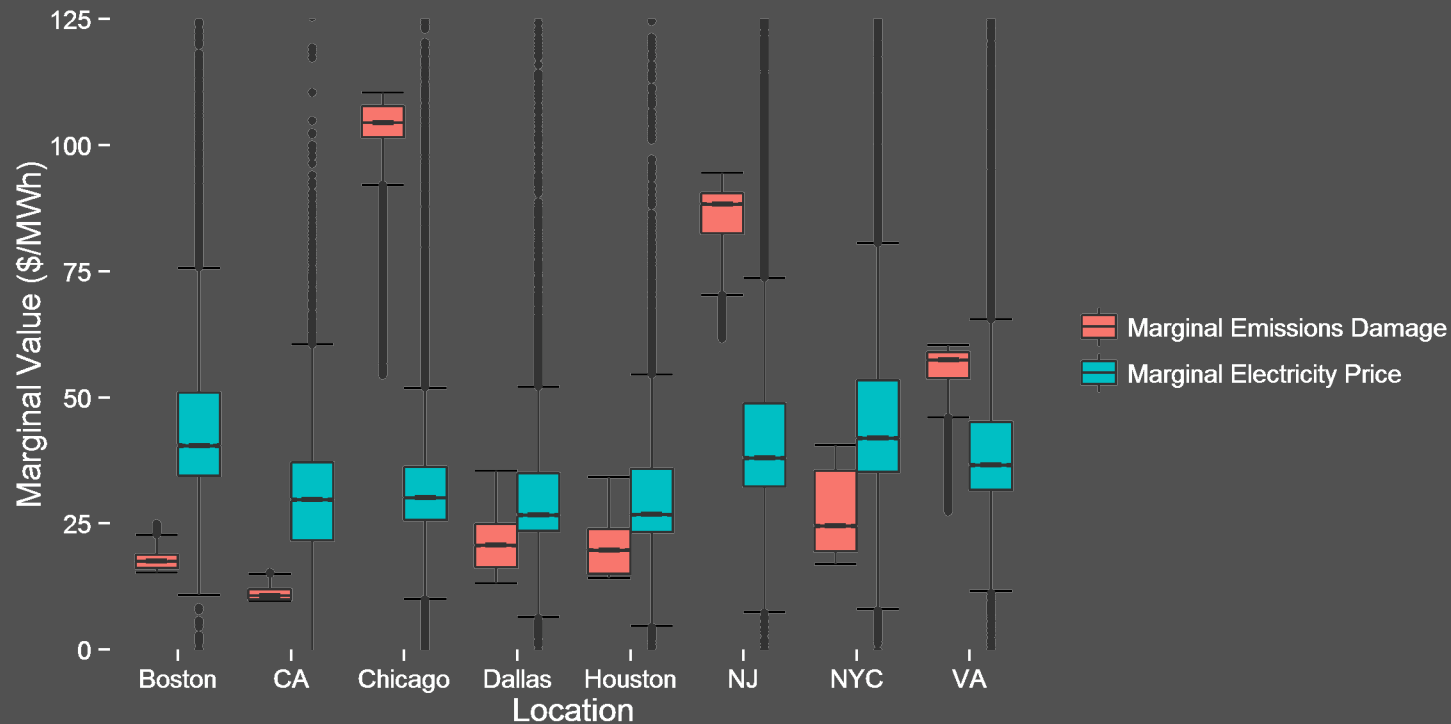
|        |         |         |     |
|--------|---------|---------|-----|
| Boston | Chicago | Houston | NYC |
| CA     | Dallas  | NJ      | VA  |

# Marginal damages by eGRID subregion from marginal emissions factors repository\*



# LMPs and marginal damages not uniformly correlated

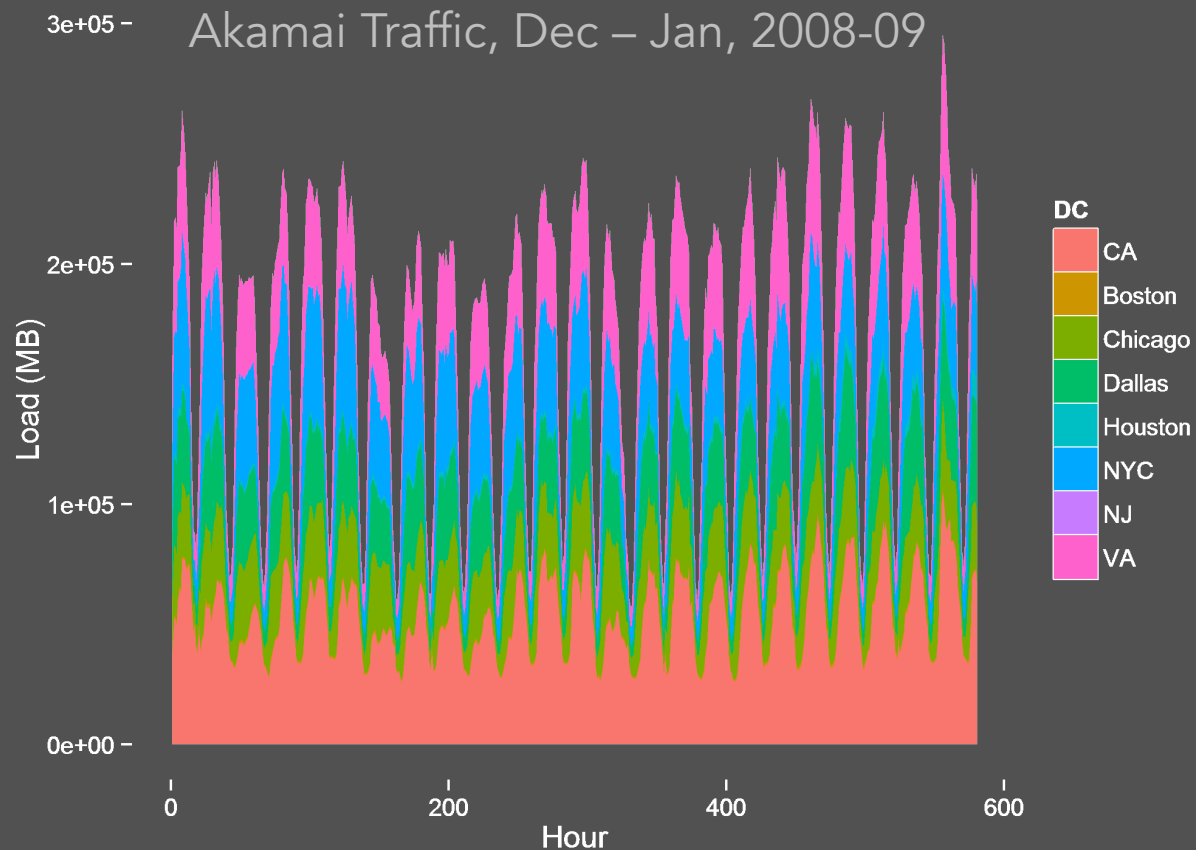
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# Network traffic from Akamai CDN

- 25 data centers on a public CDN
- 5-min load data over 24 days
- Reduced and aggregated locations to match LMP data
- Simulate 1 year of traffic
- Convert traffic to energy: 1 kWh/GB\*

\*Malmudin J, et al (2014). Life Cycle Assessment of ICT: Carbon Footprint and Operational Electricity Use from the Operator, National, and Subscriber Perspective in Sweden. *Journal of Industrial Ecology*, 18(6), pp.829–845.



# Final set: eight data centers

| DC Location | ISO/RTO | Zone (APNode) | eGRID Subregion |
|-------------|---------|---------------|-----------------|
| California  | CAISO   | PGE           | CAMX            |
| Houston     | ERCOT   | Houston       | SRMV*           |
| Dallas      | ERCOT   | North         | ERCT            |
| Chicago     | PJM     | ComEd         | RFCW            |
| Virginia    | PJM     | Dominion      | SRVC            |
| New Jersey  | PJM     | PSEG          | RFCE            |
| New York    | NYISO   | NYC           | NYCW            |
| Boston      | ISO-NE  | NEMASSBOST    | NEWE            |



# Optimize as minimum cost problem

minimize:

$$z = f(\mathbf{X}_{i,t}) = \sum_{i,t} (\mathbf{c}_{i,t} * \mathbf{X}_{i,t}) \quad (1)$$

with respect to  $\mathbf{X}_{i,t}$  and subject to:

$$\sum_i (\mathbf{X}_{i,t}) = d_t \quad \forall t \quad (2)$$

$$\mathbf{X}_{i,t} \leq s_i \quad \forall i, t \quad (3)$$

$$\mathbf{X}_{i,t} \geq 0 \quad \forall i, t \quad (4)$$

where:

$\mathbf{X}_{i,t}$  is the energy required at location  $i$  in hour  $t$

$\mathbf{c}_{i,t}$  is the cost of energy at location  $i$  in hour  $t$

$d_t$  is the service demand at time  $t$

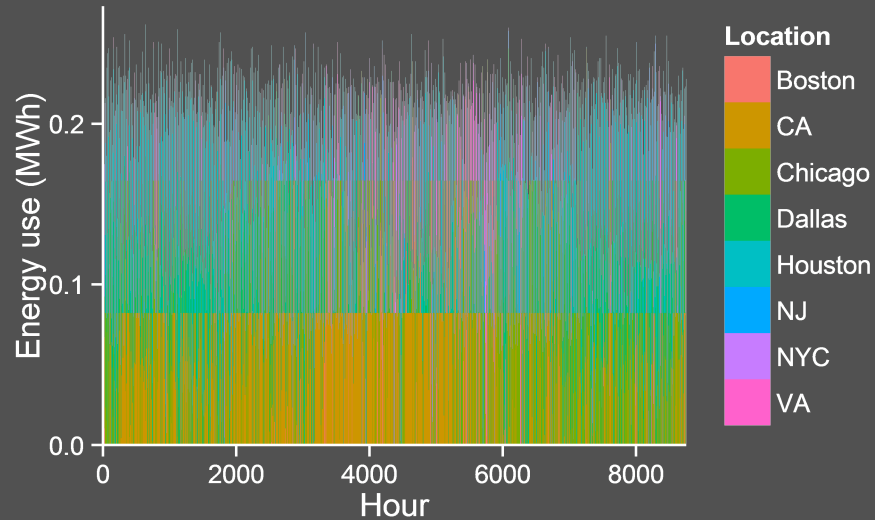
$s_i$  is the service capacity at location  $i$

Change objective  $z$  for different scenarios:

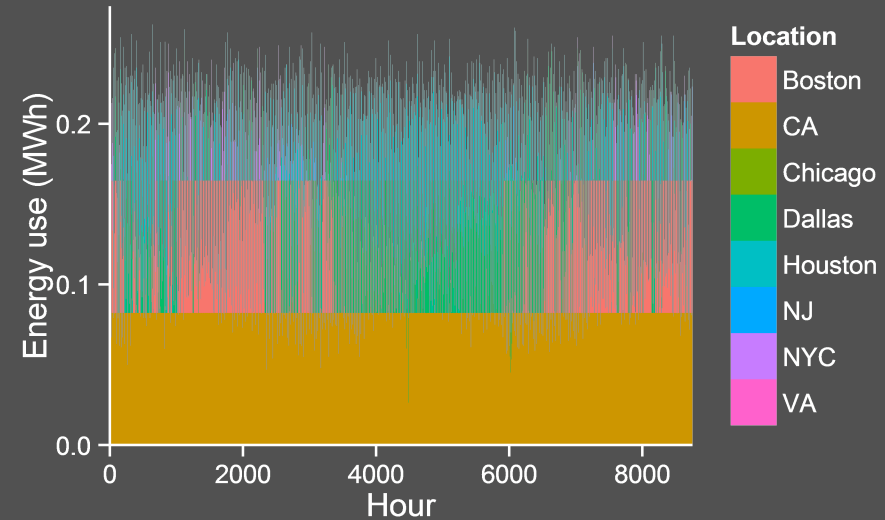
- **Capitalistic:** minimize private cost (LMP)
- **Green:** minimize external cost (marginal damages)
- **Utilitarian:** minimize total social cost
- **(Baseline):** level load

# Green strategy shifts load to cleaner power

## Capitalistic Strategy

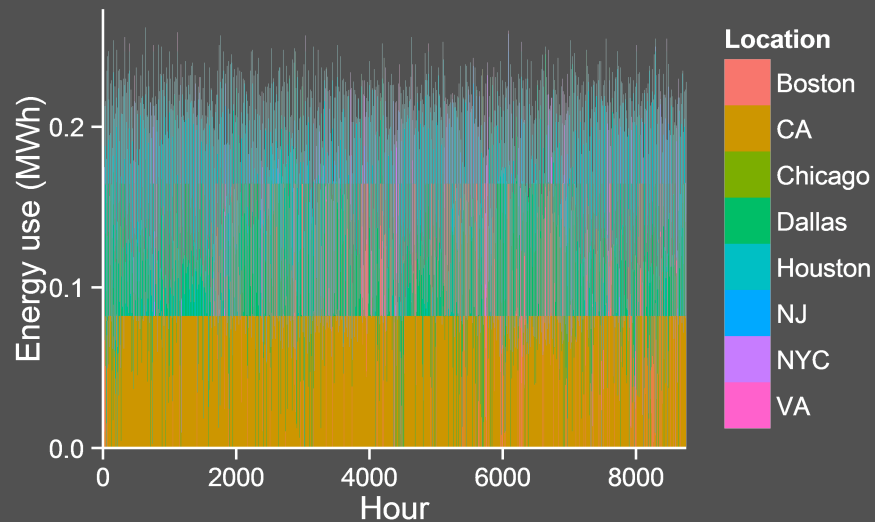


## Green Strategy

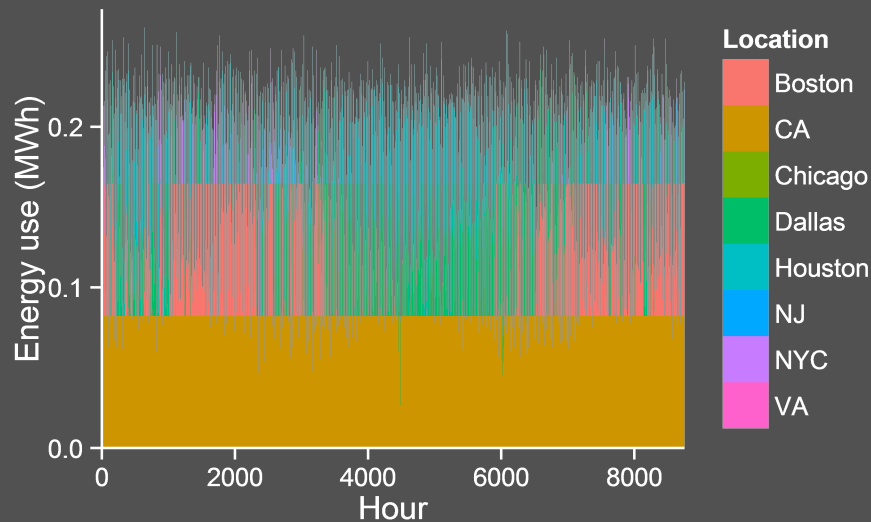


# Utilitarian strategy gets “best of both worlds”

## Utilitarian Strategy



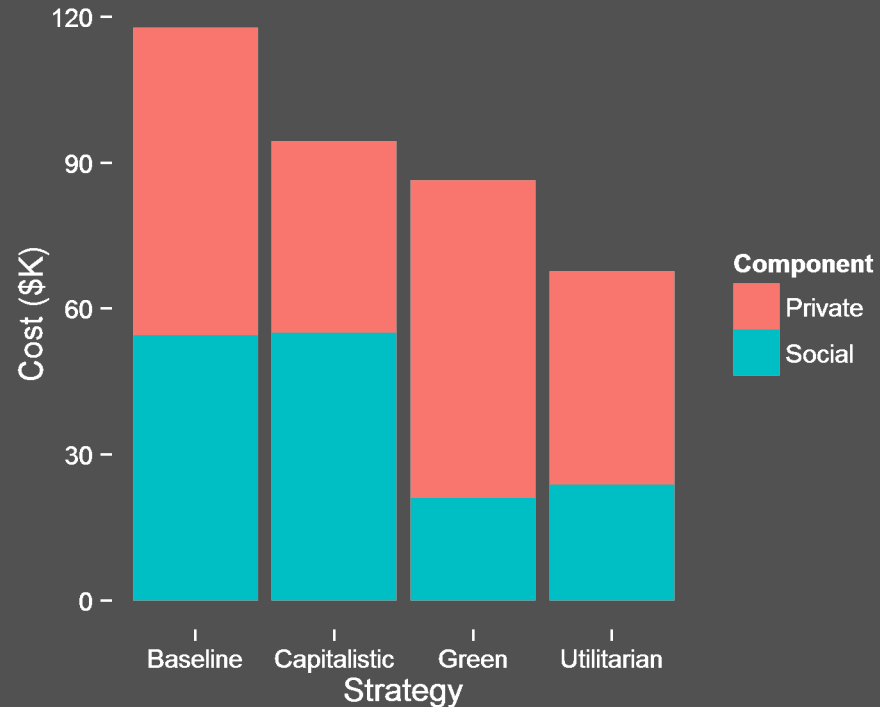
## Green Strategy



# The utilitarian strategy reaps most of external savings and much of private savings

Savings vs. Baseline

| Strategy     | Cost    |          | Total |
|--------------|---------|----------|-------|
|              | Private | External |       |
| Baseline     | --      | --       | --    |
| Capitalistic | 38%     | -1%      | 20%   |
| Green        | -3%     | 61%      | 27%   |
| Utilitarian  | 31%     | 56%      | 43%   |



# Preliminary Conclusions

- Load shifting offers immediate private savings
- Compelling middle ground: reducing private savings by ~7%-pts reduced external costs by ~half (in this scenario)
- Extent of realized savings is sensitive to capacities of individual data centers

## Policy impact:

What would be the ramifications of a carbon price (or other externality pricing) on cost-aware load shifting strategies?

# Model additions needed

- Bandwidth and/or latency costs (95<sup>th</sup> percentile constraint)
- Improve energy use model
- Improve traffic simulation
- Explore sensitivities (capacity, traffic profiles)

## Possible excursion

- Add on-site renewable generation option
- Compare LCOE with value of avoided damages

# Acknowledgements

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*Thanks for listening!*



nch@cmu.edu



@NatCHorner



<http://andrew.cmu.edu/~nhorner>

**Carnegie Mellon**

Photo source: <http://www.google.com/about/datacenters/gallery/#/tech>

