

Vehicle-to-Grid Integration as a Systemic Lever for Frequency Regulation, Renewable Energy Assimilation, and Market Transformation in Modern Power Systems

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ABSTRACT

The rapid electrification of transportation has transformed electric vehicles from passive loads into potentially active components of power systems. Among the most promising paradigms emerging from this transformation is Vehicle-to-Grid (V2G) integration, which enables bidirectional power flows between electric vehicles and the electricity grid. This research article presents an extensive, theory-driven, and system-level analysis of V2G integration, focusing on its implications for frequency regulation, renewable energy integration, grid stability, and market structures. Drawing strictly from the provided body of scholarly references, the study synthesizes insights from empirical case studies, optimization-based scheduling models, profitability analyses under uncertainty, and comprehensive electric vehicle modeling frameworks. Particular attention is given to the role of V2G in high-renewable systems, such as wind-dominant and solar-integrated grids, and to its applicability across diverse national contexts, including Colombia, Denmark, and emerging economies in Southeast Asia. The methodology relies on qualitative comparative analysis and conceptual modeling grounded in the reviewed literature, avoiding mathematical formalism while providing detailed explanatory narratives of optimization logic, uncertainty handling, and system interactions. The results demonstrate that V2G can significantly enhance frequency regulation performance, reduce renewable curtailment, and create new value streams for electric vehicle owners and aggregators, albeit with nontrivial challenges related to battery degradation, user behavior, regulatory uncertainty, and market design. The discussion critically examines these challenges, explores counter-arguments regarding scalability and equity, and outlines future research directions centered on artificial intelligence-driven scheduling, vehicle aggregation, and integrated energy system planning. The article concludes that V2G should be understood not merely as a technical add-on but as a structural element of future smart grids, requiring coordinated advances in technology, policy, and socio-economic frameworks.

KEYWORDS

Vehicle-to-Grid, frequency regulation, electric vehicles, renewable energy integration, smart grids, energy markets.

INTRODUCTION

The global energy system is undergoing a profound structural transformation driven by the dual imperatives of decarbonization and digitalization. Electricity grids, historically designed around centralized generation and predictable demand patterns, are increasingly challenged by the variability of renewable energy sources and the electrification of end-use sectors. Among these sectors, transportation occupies a particularly critical position. Electric vehicles, once considered marginal loads, are now rapidly becoming ubiquitous assets whose aggregated demand and storage capacity rival those of

conventional grid components. This shift has catalyzed growing academic and industrial interest in Vehicle-to-Grid integration, a concept that reimagines electric vehicles as active participants in grid operation rather than passive consumers of electricity.

Vehicle-to-Grid refers to the capability of electric vehicles to exchange power bidirectionally with the grid, allowing stored energy in vehicle batteries to be dispatched back to the system when needed. This capability stands in contrast to traditional Grid-to-Vehicle charging, where power flows unidirectionally

from the grid to the vehicle. The theoretical appeal of V2G lies in its potential to provide ancillary services such as frequency regulation, voltage support, peak shaving, and reserve capacity, all while leveraging assets that are already widely distributed across the grid (Thorat & Bhatt, 2023). In systems with high shares of variable renewable energy, such services are increasingly valuable, as they can mitigate the inherent intermittency of wind and solar generation.

Early research on electric vehicle grid integration focused primarily on the risks posed by uncontrolled charging, including transformer overloads, voltage deviations, and increased peak demand (Lopes et al., 2009). Subsequent studies expanded this perspective by exploring coordinated charging strategies, which demonstrated that intelligent scheduling could significantly reduce grid stress and even support renewable integration (Clement et al., 2009). However, these early approaches largely treated electric vehicles as flexible loads rather than as distributed energy resources capable of supplying power back to the grid.

The emergence of V2G research marked a conceptual turning point. By enabling bidirectional power flows, V2G transforms the electric vehicle fleet into a vast, mobile energy storage system. This transformation has profound implications for frequency regulation, a core function of power system operation that ensures the balance between supply and demand. In conventional systems, frequency regulation is provided by large synchronous generators. As these generators are displaced by inverter-based renewable resources, alternative sources of fast-responding flexibility become essential. Electric vehicles, with their rapid response capabilities and growing penetration, are increasingly viewed as ideal candidates for this role (Ibáñez et al., 2024).

Despite its promise, V2G integration remains a complex and contested domain. Technical challenges include battery degradation, communication latency, and interoperability. Economic challenges revolve around profitability, market access, and incentive alignment, while social challenges concern user acceptance and behavioral uncertainty. Moreover, the impacts of V2G are highly context-dependent, varying across grid architectures, regulatory environments, and patterns of vehicle usage. This diversity underscores the need for holistic analyses that integrate technical, economic, and systemic perspectives.

The present article addresses this need by offering an in-depth, publication-ready synthesis of V2G research grounded exclusively in the provided references. Unlike conventional review articles that summarize findings, this study adopts an elaborative approach, unpacking theoretical assumptions, methodological choices, and system-level implications in detail. The central research

problem can be articulated as follows: how does Vehicle-to-Grid integration reshape the operational, economic, and strategic dimensions of modern power systems, particularly in the context of frequency regulation and renewable energy integration?

The literature gap addressed by this article lies in the integration of disparate research strands into a coherent systemic narrative. While individual studies have examined frequency regulation in specific national contexts (Ibáñez et al., 2024), optimization of V2G scheduling with renewables (Lv et al., 2023), profitability under uncertainty (Bianchi et al., 2023), and detailed vehicle modeling (Rücker et al., 2022), fewer works have attempted to synthesize these insights into a unified framework that captures their broader implications for grid evolution. By doing so, this article contributes to a deeper understanding of V2G as a transformative element of future energy systems rather than a niche technological option.

METHODOLOGY

The methodological approach adopted in this research is qualitative, integrative, and theory-driven, reflecting the nature of the research question and the constraints of the available data. Rather than conducting new simulations or empirical experiments, the study systematically analyzes and synthesizes findings from the provided references to construct a comprehensive conceptual understanding of Vehicle-to-Grid integration. This approach aligns with established practices in systems engineering and energy policy research, where complex phenomena are often best understood through comparative and interpretive analysis.

The first methodological step involves thematic categorization of the literature. The references were grouped into several overlapping domains: frequency regulation and ancillary services, optimization and scheduling of V2G systems, economic and profitability analyses under uncertainty, comprehensive electric vehicle modeling, and broader smart grid and renewable integration studies. This categorization enables a structured exploration of how different research questions and methodologies converge on the V2G concept.

Within the frequency regulation domain, particular emphasis is placed on empirical case studies that examine real or realistic grid conditions. The study by Ibáñez et al. (2024), focusing on the Colombian electricity grid, serves as a cornerstone for understanding how V2G can influence system frequency in a context characterized by hydropower dominance and growing renewable penetration. Rather than reproducing numerical results, the methodology involves a detailed textual interpretation of how frequency deviations are mitigated through aggregated vehicle response, highlighting the

causal mechanisms at play.

Optimization and scheduling studies, such as those by Lv et al. (2023) and Alabi et al. (2021), are analyzed through a descriptive explanation of their decision-making logic. These studies typically involve coordinating electric vehicle charging and discharging with renewable generation profiles, building energy demand, and market signals. The methodology here involves translating mathematical optimization concepts into narrative form, explaining how objectives such as cost minimization, emission reduction, or user satisfaction are balanced through algorithmic scheduling.

Economic analyses under uncertainty, exemplified by Bianchi et al. (2023) and Ahrabi et al. (2021), are approached through a conceptual examination of uncertainty sources and risk management strategies. These studies often employ stochastic or hybrid frameworks to account for variability in electricity prices, vehicle availability, and renewable output. The methodological focus is on explaining how uncertainty alters profitability assessments and investment decisions, rather than on quantifying specific financial outcomes.

Comprehensive vehicle modeling studies, particularly Rücker et al. (2022), provide the technical foundation for understanding how individual vehicle characteristics aggregate into system-level behavior. The methodology involves dissecting the components of such models, including battery dynamics, driver behavior, and communication interfaces, and explaining their relevance for strategy development.

Finally, broader smart grid and renewable integration studies, including those focused on Denmark's wind-dominated system (Xu et al., 2009) and Indonesia's archipelagic grid challenges (Herlambang, 2025), are used to contextualize V2G within diverse system architectures. The methodological approach here is comparative, drawing parallels and contrasts across regions to highlight the adaptability and limitations of V2G concepts.

Throughout the analysis, rigorous citation practices are employed, with every major claim explicitly linked to one or more references. The absence of mathematical expressions and visuals is compensated by detailed explanatory prose, ensuring conceptual clarity while adhering to the specified constraints.

RESULTS

The synthesized analysis of the literature reveals several interrelated results that collectively illustrate the transformative potential of Vehicle-to-Grid integration. These results are presented here in descriptive form, focusing on system behavior, operational outcomes, and economic implications rather than numerical metrics.

One of the most consistently reported outcomes across the literature is the positive impact of V2G on frequency regulation. In the Colombian context analyzed by Ibáñez et al. (2024), aggregated electric vehicles equipped with V2G capabilities were shown to respond rapidly to frequency deviations, injecting or absorbing power as needed to stabilize the system. This response is particularly valuable in grids with high shares of renewable energy, where conventional inertia is reduced. The result is a smoother frequency profile and a reduced reliance on traditional ancillary service providers.

A second major result concerns the synergistic interaction between V2G and renewable energy integration. Studies focusing on coordinated scheduling, such as Lv et al. (2023), demonstrate that aligning vehicle charging and discharging with rooftop photovoltaic generation can significantly enhance self-consumption and reduce grid stress. When extended to larger scales, this coordination enables electric vehicles to act as buffers that absorb excess renewable generation during periods of surplus and release it during periods of deficit. The result is a more balanced and resilient energy system, capable of accommodating higher renewable penetration without extensive infrastructure upgrades.

Economic analyses reveal that V2G can create new revenue streams for electric vehicle owners and aggregators, but that profitability is highly sensitive to uncertainty and market design. Bianchi et al. (2023) show that while participation in ancillary service markets can be profitable, outcomes depend on factors such as price volatility, battery degradation costs, and participation constraints. Under favorable conditions, V2G revenues can offset a significant portion of vehicle ownership costs, whereas under unfavorable conditions, they may be insufficient to justify participation.

Another important result relates to the role of aggregation. Individual electric vehicles have limited capacity, but when aggregated into fleets, their collective impact becomes substantial. Rücker et al. (2022) emphasize that accurate modeling of aggregation dynamics is essential for strategy development, as heterogeneity in vehicle usage patterns can significantly influence available capacity. The result is that aggregation is not merely a scaling mechanism but a complex coordination problem that requires sophisticated management systems.

Finally, system-level studies highlight the adaptability of V2G across different grid contexts. In wind-dominated systems such as Denmark's, V2G is shown to complement existing flexibility resources by providing fast-responding storage (Xu et al., 2009). In geographically dispersed systems like Indonesia's, V2G is identified as a potential enabler of localized balancing and reduced reliance on diesel generation (Herlambang, 2025). These results suggest that while the specific

benefits of V2G vary by context, its fundamental value proposition remains robust.

DISCUSSION

The results synthesized above invite a deeper discussion of the theoretical, practical, and strategic implications of Vehicle-to-Grid integration. At a theoretical level, V2G challenges traditional distinctions between generation, load, and storage. Electric vehicles embody all three roles simultaneously, depending on system needs and user behavior. This hybridity complicates conventional power system models but also opens new avenues for flexibility and resilience.

From a frequency regulation perspective, the fast response of electric vehicle batteries aligns well with the needs of modern grids. Unlike large generators, which may have mechanical constraints, batteries can respond almost instantaneously to control signals. This characteristic positions V2G as a potential substitute for, or complement to, traditional frequency control resources. However, this potential is contingent on reliable communication infrastructure and control algorithms capable of coordinating large numbers of devices, as emphasized by Rücker et al. (2022).

The interaction between V2G and renewable energy integration raises important questions about system optimization. While coordinated scheduling can enhance efficiency, it also introduces new dependencies. For example, reliance on electric vehicles for balancing may create vulnerabilities if vehicle availability is lower than expected during critical periods. Studies on driving pattern analysis underscore the importance of understanding user behavior, as mobility needs ultimately constrain energy availability (Wu et al., 2010).

Economic discussions reveal a tension between individual and system-level benefits. While V2G can reduce system costs and emissions, individual vehicle owners may face battery degradation and inconvenience. Profitability analyses under uncertainty highlight that without appropriate compensation mechanisms, participation rates may remain low (Bianchi et al., 2023). This insight underscores the role of policy and market design in aligning incentives.

Several limitations emerge from the literature. First, most studies assume a level of technological maturity and user acceptance that may not yet exist. Second, regulatory frameworks in many regions do not currently allow electric vehicles to participate fully in ancillary service markets. Third, equity concerns arise if V2G benefits accrue primarily to wealthier households with access to electric vehicles and home charging infrastructure.

Future research directions suggested by the literature include the integration of artificial intelligence for

predictive scheduling, the development of standardized communication protocols, and the exploration of V2G in multi-energy systems that include heating, cooling, and hydrogen. Additionally, longitudinal studies on battery health and user behavior are needed to validate long-term assumptions.

CONCLUSION

Vehicle-to-Grid integration represents a paradigm shift in the design and operation of modern power systems. By transforming electric vehicles into active grid participants, V2G offers a multifaceted solution to challenges associated with frequency regulation, renewable energy integration, and system flexibility. The literature analyzed in this article demonstrates that V2G can enhance grid stability, enable higher renewable penetration, and create new economic opportunities, provided that technical, economic, and regulatory challenges are addressed.

This study contributes to the academic discourse by synthesizing diverse research strands into a coherent, system-level perspective. It emphasizes that V2G should not be viewed as a standalone technology but as an integral component of future smart grids. Achieving its full potential will require coordinated advances in modeling, optimization, market design, and user engagement. As electric vehicle adoption continues to accelerate, the insights presented here underscore the importance of proactive planning to harness V2G as a cornerstone of sustainable energy transitions.

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