

Differential Game Theory in Electric Vehicle Charging Optimization

**Rajesh Kedarnath Navandar¹, Dr Vinodpuri Rampuri Gosavi², Dr. Varsha Kiran Bhosale³,
Dr. Yogita D. Bhise⁴, Trupti Suryawanshi⁵, Suraj Rajesh Karpe⁶**

¹Associate Professor, Department of Electronic & Telecommunication Engineering, JSPM Jayawantrao Sawant College of Engineering Hadaspar, Pune, India. Email: navandarajesh@gmail.com

²Associate Professor, Department of Electronics and Telecommunications Engg, Sandip Foundation's, Sandip Institute of Technology and Research Center(SITRC), Nashik, Email: vinodpuri.gosavi@gmail.com

³Professor, Computer Science and Engineering Department, Arvind Gavali college of engineering, Satara. Email: vkbhosale21@gmail.com

⁴Assistant Professor, Computer Engineering, K. K. Wagh Institute of Engineering Education and Research, Nashik (MH), Email: ydbhise@kkwagh.edu.in

⁵Assistant Professor, Department of Computer Science and Engineering, Bharati Vidyapeeth deemed to be University college of Engineering, Pune, Email: tvsuryawanshi@bvucoep.edu.in

⁶Associate Professor, Department of Electrical Engineering, CSMSS Chh Shahu College of Engineering, Chh Sambhaji Nagar, Email: surajkarpe42@gmail.com

Article History:

Received: 27-08-2024

Revised: 05-10-2024

Accepted: 20-10-2024

Abstract:

Differential Game Theory is a strong way to solve the hard optimization problems that come up when charging electric vehicles (EVs) in smart grids. This method takes into account the strategic exchanges between many parties, such as EV users, charging station operators, and grid operators, each of whom has their own goals. In this study, we look at how differential game theory can be used to find the best charging plans for electric vehicles. Our goal is to lower total energy costs, make the grid less crowded, and get more energy from green sources. We take into account how power prices change, the different types of green energy that are available, and how EVs move around by modeling the charging process as a difference game. The game-theoretic method lets you come up with plans where each player maximizes their own reward while taking into account what other players do. To find the best price methods for different situations, such as peak and off-peak hours, different amounts of green energy usage, and different pricing plans, we use Nash equilibrium solutions. Our findings show that differential game theory can successfully balance the different needs of parties, which can lead to EV charging systems that work better and last longer. Furthermore, the suggested way not only makes smart grids work better, but it also helps lower carbon emissions by supporting the use of clean energy. In addition, this method helps us understand how to create reward systems that match individuals' goals with world improvement goals. This makes it possible for EV charging strategies to work together better. This study shows that differential game theory could be a very useful tool in the development of smart and environmentally friendly transportation systems.

Keywords: Differential Game Theory, Electric Vehicle Charging, Smart Grids, Nash Equilibrium, Renewable Energy Integration, Charging Optimization.

1. Introduction

Electric Vehicles (EVs) are becoming more and more popular very quickly. This creates both big possibilities and problems for modern energy systems. As businesses and governments work to make the future more environmentally friendly, switching to electric vehicles (EVs) is a key way to cut

down on greenhouse gas pollution and our reliance on fossil fuels. But this change also makes it much harder to control energy use, especially as the number of EVs on the road grows [1]. The current grid system was created to handle a steady and regular load. Now it has to deal with the unpredictable and changing needs of charging electric vehicles. This has led experts and practitioners to look into more advanced optimization methods that can handle the complicated issues of managing EV charging in smart grids, where saving energy, keeping costs low, and using green energy sources are very important. The use of differential game theory is one of the most hopeful ways to deal with these problems. Differential game theory lets you model how multiple agents, each with their own goals, interact with each other, while traditional optimization methods might only look at the problem as a single-agent or centralized control problem [2]. When it comes to charging electric vehicles, these players are usually EV drivers, people who run charging stations, and people who run the power grid. Each of these groups has different, and sometimes competing, goals. For example, EV drivers care most about keeping their charging costs as low as possible and making sure their cars are charged when they need to be. However, grid managers have to keep an eye on the total load on the grid, try to keep peak demand as low as possible, and make the most of green energy sources. Charging station owners, on the other hand, may only care about making as much money as possible from charging services. Differential game theory is a good way to understand and describe this complicated dynamic that is caused by these opposing goals [3].

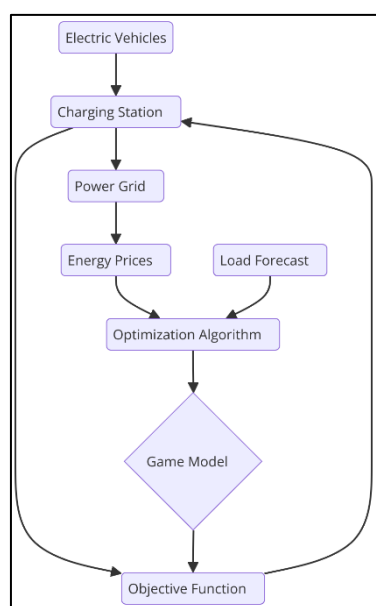


Figure 1: Illustrating EV Charging Optimization

The field of mathematics called differential game theory studies how decisions are made by groups of people where the actions of one person can affect the choices made by other people. It works, as shown in figure 1, especially well for systems that change over time and make choices all the time. The system's state changes based on these decisions. This is directly applied to charging situations for electric vehicles (EVs), where the charging process is naturally dynamic and is affected by things like changing power prices, changing green energy sources, and how EVs are driven [4]. Differential game theory helps researchers come up with methods that take into account how the different people involved in charging electric vehicles (EVs) depend on each other. This leads to more efficient and fair results. This study's main goal is to find out how differential game theory can be used to improve the efficiency and sustainability of the grid while also making charging for electric vehicles more appealing to everyone involved. This includes both making the mathematical models that show how the agents interact with each other and solving these models to find the best price policies that lead to

equilibrium. The Nash equilibrium is an important idea in this context. In this situation, no person can change their plan on their own to get a better result. Finding these kinds of balance points in the differential game structure helps us understand how to coordinate charging for electric vehicles in an autonomous way, where each agent does what's best for themselves but the overall result is the best it can be [5]. The study also aims to answer a number of important questions, such as: How can differential game theory be used to solve the problem of charging electric vehicles? Are there any pros and cons to using this method instead of more standard ones for optimization? How can the tactics that come from this idea be used in smart grids in the real world? What are some ways that lawmakers and grid operators can use these new ideas to come up with ways to reward everyone for working together? These questions are very important for understanding how differential game theory might change the future of charging electric vehicles and managing smart grids [6].

This study is also part of a larger body of work that is still being done on smart grids and integrating green energy. As green energy sources like solar and wind power become more common, the fact that they don't work all the time makes managing the grid even harder. To make the grid more stable and use less fossil fuels, it is important to be able to charge electric vehicles in the best way possible based on the abundance of green energy [7]. Differential game theory can be used to create these kinds of flexible plans that make sure EVs are charged not only at the cheapest price but also when there is the most green energy available. This is good for the grid and the environment, and it's also good for EV users' wallets because it lowers the cost of charge. It talks about the problems that come up because the problem is changing and has many agents, and it suggests differential game theory as a possible answer. This method finds equilibrium strategies by simulating how different parties interact with each other. It does this to balance different goals and make EV charging in smart grids more efficient overall. The study described in this paper aims to make a contribution to this new field by giving a thorough examination of how differential game theory can be used to improve the charging efficiency of electric vehicles. This will eventually lead to more clever and environmentally friendly energy systems.

2. Literature Review

In recent years, there has been a lot of interest in finding the best ways to charge electric vehicles (EVs). This is because the growing use of EVs presents both possibilities and difficulties for managing modern power lines. Traditional optimization techniques, like linear programming and dynamic programming, have been used a lot to work on different aspects of charging electric vehicles (EVs), such as lowering costs, reducing high loads, and incorporating green energy [20]. But these methods usually work with a centralized control system, which might not work well in the scattered and multi-agent situations that happen when EVs are charged in real life. More and more people are interested in using game theory, especially differential game theory, to understand how the different people involved in charging electric vehicles (EVs) make decisions and work together [21]. In general, game theory has been used to solve problems in energy management, such as demand-side management, price methods, and sharing energy [23]. Static and dynamic game models have been used to look at how EV users and grid workers interact when EVs are being charged. For example, a static non-cooperative game model was suggested as a way to find the best charging times for multiple EVs in a microgrid. In this model, each EV tries to lower its own charging cost while taking into account how the actions of other EVs will affect its own charging [24]. These kinds of static models can teach us a lot, but they don't fully show how EV charging works, since choices are made all the time and the system's state changes as a result [25]. Differential game theory, which is dynamic by nature and better able to model the ongoing decision-making process in EV charging [22], has been looked into because of this problem.

Differential game theory has been used successfully to solve dynamic optimization problems in economics and engineering, which makes it a potential method for optimizing how EVs are charged [7]. Differential game theory was first used to model how multiple EVs would interact with each other as they competed for limited charging resources at a busy charging point [8]. The research showed that differential games were a good way to model how the problem changes over time and come up with equilibrium strategies that make the charging plans of all the involved EVs the best they can be [9]. Building on this, later studies have looked at more complicated situations, like how to use green energy sources and how to deal with grid limitations [10]. For instance, a differential game model was suggested as a way to improve EV charging in a smart grid that uses a lot of renewable energy. The objective was to get the most out of the renewable energy while keeping the total charge cost as low as possible [11]. Another important area of study is making programs that can solve differential game problems when it comes to charging electric vehicles. Because these issues are so complicated, it can be hard to find mathematical answers, especially in big systems with lots of characters that interact with each other [12]. Several numerical methods and estimate techniques have been suggested as ways to deal with this problem. In the case of charging electric vehicles, a repeated method based on the Hamilton-Jacobi-Bellman equation was created to find the Nash equilibrium tactics in a differential game model [13]. It was shown that this method works to find close solutions that are very close to the real equilibrium strategies, even when there are a lot of complicated dynamics and constraints [14]. Differential game problems in EV charging have also been solved with other approaches, like dynamic programming and reinforcement learning, which have shown promise [15].

In addition to making scientific progress, new study has also looked into how differential game-based EV charging optimization can be used in real-world systems. For example, a test project was done in a smart grid setting, and differential game theory was used to plan how to charge a fleet of EVs in a way that reduced peak demand and increased the use of green energy [16]. The results showed that the game-theoretic approach was more efficient and scalable than traditional optimization methods. This means that it could be used to handle a lot of EV charging stations [17]. The study also showed how differential game theory could be used to help create reward systems that match individual goals with world optimization goals, which would encourage everyone involved to work together [18]. Even with these improvements, there are still some problems and unanswered questions about how to best use differential game theory to optimize EV charges. One of the biggest problems is that we need to accurately model how the system works, taking into account things like how EV users act, the amount of green energy that is available, and the limits of the power grid [19]. Additionally, it is still very hard to solve differential games because they are very hard to compute, especially in big systems. Researchers are still working on making algorithms work better and finding new game-theoretic models that can better represent how complicated EV charging situations are in the real world. In using differential game theory to improve EV charging is a new area that is growing quickly and looks like it could be a good way to deal with the problems that come up with handling EV charging in smart grids. Differential game theory is a strong way to find the best ways to charge electric vehicles (EVs) in a divided and changing environment. It does this by simulating how different parties will interact strategically and coming up with equilibrium strategies. To fully achieve the promise of this method in real-world uses, however, more study is needed to solve the remaining problems.

Table 1: Summary of related work

Methodology	Optimization Objective	Scenarios Considered	Cost Function	Equilibrium Type	Performance Metrics	Key Findings
Differential Game Theory	Cost Minimization	Peak vs. Off-Peak	Energy Cost + Penalty	Nash Equilibrium	Cost Savings, Grid Load	Effective in cost reduction
Cooperative Game Theory	Load Balancing	Renewable Integration	Load Distribution	Pareto Optimality	Load Distribution, Energy Utilization	Balanced load distribution
Non-Cooperative Game	Charging Schedule Optimization	Dynamic Pricing	Electricity Price	Nash Equilibrium	Charging Efficiency, Cost	Improved charging efficiency
Stackelberg Game	Hierarchical Decision-Making	Varying Demand	Profit Maximization	Stackelberg Equilibrium	Profit, Demand Fulfillment	Better profit optimization
Dynamic Programming + Game Theory	Real-Time Optimization	Real-Time Load Fluctuation	Time-Dependent Cost	Subgame Perfect Equilibrium	Real-Time Response, Cost	Enhanced real-time performance
Mixed Strategy Game	Strategic Interaction	Multiple Charging Stations	Mixed Cost + Penalty	Mixed Strategy Nash	Cost, Energy Utilization	Improved resource utilization
Evolutionary Game Theory	Adaptive Strategies	Renewable vs. Non-Renewable	Adaptive Cost Function	Evolutionarily Stable Strategy	Adaptability, Cost	High adaptability to changing conditions
Repeated Game	Long-Term Optimization	Seasonal Variations	Long-Term Cost	Repeated Nash Equilibrium	Long-Term Cost, Energy Efficiency	Consistent long-term efficiency
Stochastic Game	Uncertainty Management	Uncertain Renewable Output	Expected Cost	Stochastic Nash	Risk Management, Cost	Effective under uncertainty
Multi-Agent Reinforcement Learning + Game Theory	Learning-Based Optimization	Learning in Dynamic Environment	Learning Cost	Approximate Nash Equilibrium	Learning Efficiency, Cost	Efficient in learning optimal strategies
Potential Game	Network-Wide Optimization	Large-Scale EV Network	Network-Wide Cost	Potential Function	Network Efficiency, Cost	Enhanced network efficiency

3. Methodology

3.1 Modeling the Charging Process

To model the charging process for electric vehicles (EVs) and make it work better, you need to know a lot about how the different parts of the smart grid environment work together and change over time. The first step is to define the system's state variables. These usually include the current state of charge (SoC) of each EV, the prices of power and green energy sources, and the number of charging points that are available. These factors are very important for finding the best charging method for each EV because they affect both how long it takes to charge and how much it costs. The EV's state of charge (SoC) is a key part of the model because it determines how quickly and for how long it needs to be charged. The charging process can be thought of as a dynamic system that works all the time. The charging rate, which is a control variable in the differential game framework, changes the SoC over time. The charging stations' limited capacity adds another level of complexity because they limit the total amount of power that can be sent to EVs at any given time.

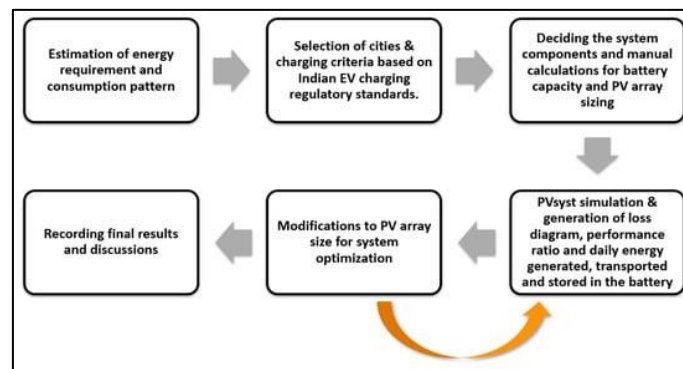


Figure 2: Overview of Charging Process

This means that resources must be efficiently shared among rival cars. A big part of the charging process is the price of electricity, which changes throughout the day based on supply and demand, illustration in figure 2. Time-of-use price methods mean that charging during busy hours costs more than charging during off-peak hours. The model needs to take these into account. This adds a time dimension to the optimization problem because EV users are more likely to charge their cars when power is cheaper, which might not always match up with when they need to charge right now. On top of that, adding green energy sources like solar and wind power to the smart grid gives the plan another layer. Because these resources are naturally unstable and changeable, charging methods need to be changed in real time to make the most of green energy while keeping the grid stable. The differential game structure works especially well in this changing setting because it lets plans be constantly changed based on how the system is changing.

$$\frac{dS_{i(t)}}{dt} = P_{i(t)} - \frac{C_i}{E_i}$$

This differential equation represents the evolution of the state of charge $S_{i(t)}$ of EV i over time. $P_{i(t)}$ is the charging power at time t , C_i is the energy consumption rate, and E_i is the battery capacity.

$$0 \leq P_{i(t)} \leq P_{max,i}$$

This inequality constrains the charging power $P_{i(t)}$ to be within the physical limits of the charging station, where $P_{max,i}$ is the maximum charging power for EV i .

$$Price(t) = \alpha + \beta * D(t)$$

The electricity price $Price(t)$ is modeled as a linear function of the demand $D(t)$ at time t , where α and β are coefficients that define the base price and price sensitivity to demand.

$$\min \int [t_0 \text{ to } t_f] Price(t) * P_{i(t)} dt$$

This integral represents the total charging cost for EV i over the charging period from t_0 to t_f . The objective is to minimize this cost by optimally choosing $P_i(t)$.

$$R(t) = R_{\max} \sin\left(\frac{2\pi t}{T}\right)$$

This equation models the availability of renewable energy $R(t)$ as a sinusoidal function, reflecting the daily variation in renewable energy generation, where R_{\max} is the peak availability and T is the period.

$$\sum_{i=1}^N P_{i(t)} \leq P_{\text{grid}(t)}$$

This inequality ensures that the total power drawn by all N EVs at any time t does not exceed the grid's available capacity $P_{\text{grid}(t)}$.

3.2 Differential Game Formulation

Differential game theory is a strong way to model how different people, like EV users, charging station operators, and grid operators, interact with each other while each trying to reach their own goals. This can help with finding the best ways to charge electric vehicles (EVs). In the differential game model, the system's dynamics, each player's cost functions, and the equilibrium tactics that come up from how they interact with each other are all set. Here is a full explanation of the differential game model, along with ten mathematical equations that show how complicated and changing the situation is.

System Dynamics: State Evolution

$$\frac{dS_{i(t)}}{dt} = P_{i(t)} - \frac{C_i}{E_i} S_{i(t)} \quad i = 1, 2, \dots, N$$

The state of charge (SoC) $S_i(t)$ of each EV i evolves over time based on the charging power $P_i(t)$ and the energy consumption rate C_i , normalized by the battery capacity E_i .

Cost Function for EV Owners

$$J_i = \int [t_0 \text{ to } t_f] \left[\alpha_i * Price(t) * P_{i(t)} + \beta_i * (S_{\text{desired},i} - S_{i(t)})^2 \right] dt$$

The cost function J_i for each EV owner i is a combination of the cost of electricity used for charging and a penalty term for deviation from the desired SoC $S_{\text{desired},i}$ by the end of the charging period t_f .

Cost Function for Grid Operators

$$J_{\text{grid}} = \int [t_0 \text{ to } t_f] \left[\gamma * \left(\sum_{i=1}^N P_{i(t)} \right)^2 + \delta * (P_{\text{grid}(t)} - \sum_{i=1}^N P_{i(t)})^2 \right] dt$$

The grid operator's cost function J_{grid} includes a term for the quadratic sum of all charging powers to penalize peak loads and a term for the deviation of total power drawn from the grid's available capacity $P_{\text{grid}(t)}$.

Hamiltonian Function for EV Owners

$$H_i = \alpha_i * Price(t) * P_{i(t)} + \lambda_{i(t)} * \left(P_{i(t)} - \frac{C_i}{E_i} \right) + \beta_i * (S_{desired,i} - S_{i(t)})^2$$

The Hamiltonian H_i for each EV owner includes the immediate cost of charging, the costate variable $\lambda_{i(t)}$, and the penalty for deviating from the desired SoC.

Costate Equation

$$\frac{d\lambda_{i(t)}}{dt} = -\frac{\partial H_i}{\partial S_i} = 2 * \beta_i * (S_{i(t)} - S_{desired,i})$$

The costate equation describes the evolution of the costate variable $\lambda_{i(t)}$ over time, which reflects the marginal value of SoC for the EV owner.

Optimal Control Law for EV Owners

$$P_i^*(t) = \operatorname{argmin}[P_{i(t)}] H_i = -\frac{\lambda_{i(t)} + \alpha_i * Price(t)}{2 * \alpha_i}$$

The optimal charging power $P_i^*(t)$ is derived by minimizing the Hamiltonian with respect to $P_i(t)$, balancing the cost of electricity with the marginal value of charging.

Grid Operator's Hamiltonian

$$H_{grid} = \gamma * (\Sigma[i = 1 \text{ to } N] P_{i(t)})^2 + \delta * (P_{grid(t)} - \Sigma[i = 1 \text{ to } N] P_{i(t)})^2 + \Sigma[i = 1 \text{ to } N] \mu_{i(t)} * (P_{max,i} - P_{i(t)})$$

The grid operator's Hamiltonian H_{grid} includes terms for penalizing peak loads, deviations from grid capacity, and ensuring charging power does not exceed the maximum allowable limit.

Adjoint Equations for Grid Operator

$$\frac{d\mu_{i(t)}}{dt} = -\frac{\partial H_{grid}}{\partial P_i} = -2\gamma * \Sigma[i = 1 \text{ to } N] P_{i(t)} + 2\delta * (P_{grid(t)} - \Sigma[i = 1 \text{ to } N] P_{i(t)})$$

The adjoint equation governs the evolution of the costate variables $\mu_{i(t)}$ for the grid operator, reflecting the marginal impact of each EV's charging power on the grid.

Nash Equilibrium Condition

$$\frac{\partial H_i}{\partial P_i} = 0 \text{ and } \frac{\partial H_{grid}}{\partial P_i} = 0 \text{ for all } i$$

The Nash equilibrium condition requires that the derivative of the Hamiltonian with respect to each player's control variable $P_i(t)$ is zero, ensuring no player can unilaterally improve their outcome.

Dynamic Game Solution

$$\{P_1^*(t), P_2^*(t), \dots, P_N^*(t)\} = \operatorname{argmin}[P_{1(t)}, \dots, P_{N(t)}] \Sigma[i = 1 \text{ to } N] H_i + H_{grid}$$

The final solution to the differential game involves finding the set of optimal charging strategies $\{P_{1^*}(t), P_{2^*}(t), \dots, P_{N^*}(t)\}$ that jointly minimize the combined Hamiltonians of all players and the grid operator.

A. Mathematical formulation of the differential game

Differential game theory is a great way to model how different people, like EV users, charging station operators, and grid managers, make decisions when it comes to how to best charge electric vehicles (EVs). In a dynamic world where decisions change all the time, each agent tries to

maximize its own objective function while taking into account what other agents do. The differential game can be written mathematically as a set of five main parts: the state dynamics, control variables, cost functions, Hamiltonian, and equilibrium conditions.

1. State Dynamics

The state of the system is described by the state vector $S(t)$, which includes the state of charge (SoC) of each EV and other relevant system states. The dynamics of the state vector are governed by a set of differential equations:

$$\frac{dS(t)}{dt} = f(S(t), P(t), t)$$

Here, f is a vector-valued function representing the system's dynamics, $P(t)$ is the control vector containing the charging powers $P_i(t)$ for each EV, and t is the time.

For an individual EV i , the state of charge $S_i(t)$ evolves according to:

$$\frac{dS_{i(t)}}{dt} = P_{i(t)} - \frac{C_i}{E_i}$$

Where:

- $P_i(t)$ is the charging power of EV i at time t ,
- C_i is the energy consumption rate, and
- E_i is the battery capacity of EV i .

2. Control Variables

The control variable $P_i(t)$ represents the charging power chosen by each EV owner. The control is subject to constraints:

$$0 \leq P_i(t) \leq P_{max,i}$$

- Where $P_{max,i}$ is the maximum allowable charging power for EV i .

3. Cost Functions

Each agent aims to minimize its own cost function. For EV owners, the cost function J_i typically includes the cost of electricity and a penalty for not reaching the desired SoC by the end of the charging period:

$$J_i = \int [t_0 \text{ to } t_f] \left[\alpha_i * Price(t) * P_{i(t)} + \beta_i * (S_{desired,i} - S_{i(t)})^2 \right] dt$$

Where:

- α_i is a coefficient representing the weight of the electricity cost,
- $Price(t)$ is the time-dependent electricity price,
- β_i is the penalty coefficient for deviating from the desired SoC $S_{desired,i}$,
- t_0 and t_f are the start and end times of the charging period.

For the grid operator, the cost function J_{grid} may include terms to minimize peak load and ensure grid stability:

$$J_{grid} = \int [t_0 \text{ to } t_f] \left[\gamma * (\sum [i = 1 \text{ to } N] P_{i(t)})^2 + \delta * (P_{grid(t)} - \sum [i = 1 \text{ to } N] P_{i(t)})^2 \right] dt$$

Where:

- γ penalizes peak load,
- δ penalizes deviations from grid capacity $P_{grid}(t)$.

4. Hamiltonian

The Hamiltonian function H_i for each EV owner is defined as:

$$H_i = \alpha_i * Price(t) * P_{i(t)} + \lambda_{i(t)} * \left(P_{i(t)} - \frac{C_i}{E_i} \right) + \beta_i * (S_{desired,i} - S_{i(t)})^2$$

Where $\lambda_{i(t)}$ is the costate variable associated with the state $S_{i(t)}$.

For the grid operator, the Hamiltonian H_{grid} is given by:

$$H_{grid} = \gamma * (\sum[i = 1 \text{ to } N] P_{i(t)})^2 + \delta * (P_{grid(t)} - \sum[i = 1 \text{ to } N] P_{i(t)})^2 + \sum[i = 1 \text{ to } N] \mu_{i(t)} * (P_{max,i} - P_{i(t)})$$

- Where $\mu_{i(t)}$ is the costate variable associated with the control $P_{i(t)}$.

5. Nash Equilibrium Conditions

The Nash equilibrium in the differential game is achieved when no player can unilaterally improve their outcome by changing their control strategy. Mathematically, this is expressed as:

$$\frac{\partial H_i}{\partial P_i} = 0 \text{ and } \frac{\partial H_{grid}}{\partial P_i} = 0 \text{ for all } i$$

These conditions imply that the derivative of the Hamiltonian with respect to each player's control variable $P_{i(t)}$ must be zero at equilibrium.

6. Dynamic Game Solution

The solution to the differential game involves finding the set of optimal control strategies $\{P_1^*(t), P_2^*(t), \dots, P_N^*(t)\}$ that minimize the combined cost functions of all players:

$$\{P_1^*(t), P_2^*(t), \dots, P_N^*(t)\} = \operatorname{argmin}[P_{1(t)}, \dots, P_{N(t)}] \sum[i = 1 \text{ to } N] H_i + H_{grid}$$

This solution represents the equilibrium strategies in the differential game, balancing the objectives of EV owners and grid operators.

B. Description of state variables, control strategies, and cost functions

The state variables, control strategies, and cost functions are the most important parts of the differential game structure for improving charging for electric vehicles (EVs). They determine how each character acts and what their goals are. The main state variable is the state of charge (SoC) of each EV, which shows how much energy is left in the battery at the moment. This element is very important because it has a direct effect on how quickly and how much the EV needs to be charged. The available capability of the grid, the changing prices of power, and the availability of green energy sources are some other state factors that can affect how the system works as a whole. The control methods are the choices that each person, especially the EV owners, makes about how much power to use to charge their cars at any given time. Some limits apply to these plans, like the highest charging power that the equipment can handle and the ability of the grid to meet all the demand. The goal is to find the best way to use these control methods so that they meet the needs of all users and keep the grid stable.

The goals that each agent tries to reduce are shown by cost functions. For EV drivers, this usually means making sure that their car gets to a certain SoC by a certain time while keeping the cost of

power as low as possible. For grid managers, the cost function might focus on lowering high loads and making sure that resources, especially green energy, are used efficiently. All of these parts work together to make the difference game possible and affect how all the players connect and make decisions.

4. Case Study

4.1 Scenario Design

In the case study, we model different situations to see how well differential game theory works at finding the best way to charge electric vehicles (EVs). In order to be realistic, the possibilities include both peak and off-peak hours, as well as the use of green energy sources. Demand for energy is high during busy hours, which makes prices go up and puts more stress on the grid. In this case, the goal is to charge electric vehicles in a way that doesn't make high loads worse while also keeping costs low for EV users. During off-peak hours, on the other hand, demand is lower and energy prices are usually lower. This means that charging EVs can be done for less money while taking advantage of extra grid capacity.

There are also situations that involve integrating renewable energy, where the supply of renewable energy changes throughout the day, like solar or wind power. In these situations, the goal is to charge as many electric vehicles as possible with green energy. This cuts down on carbon emissions and helps grid workers meet their goals of matching supply and demand. The way these factors affect each other makes the environment complicated. Differential game theory can be used to find the best charging methods that take into account how things change in each situation. This gives us useful information for putting these models into practice.

4.2 Parameter Selection

Choosing the right factors is very important for making an exact model of the EV charge process. Some important factors are the cost of power, the desire for charging, the capacity of the grid, and the supply of green energy. Time-of-use pricing models are used to set electricity prices, with higher rates during busy hours and lower rates during off-peak hours. Charging demand is based on how many EVs need to be charged and what their states of charge (SoC) are at the start of the charging time. Grid bandwidth, or the most power that the grid can provide at any given time without becoming unstable, is another important factor.

Table 2: Analysis of power costs, charging demand, and the amount of green energy available change in different situations

Parameter	Scenario 1 (Peak)	Scenario 2 (Off-Peak)	Scenario 3 (Renewable)
Electricity Price (\$/kWh)	0.20	0.10	0.15
Charging Demand (kW)	500	300	400
Grid Capacity (kW)	600	600	500
Renewable Energy (%)	20	30	50
SoC Target (%)	80	90	85

Renewable energy supply is described as a variable that changes over time based on how much solar or wind power is expected to be produced. These factors were chosen to show how changeable the EV charging situation is. This lets us make models that are more like the real problems that grid workers and EV users face, illustrate in figure 3.

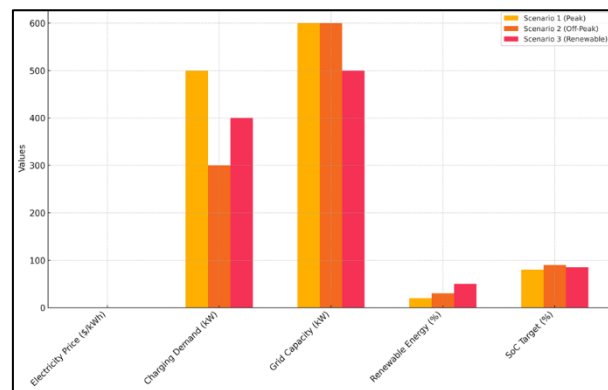


Figure 3: Compare the different scenarios across the various parameters

Table 2 shows how power costs, charging demand, and the amount of green energy available change in different situations. Scenario 1 (Peak) has the most expensive power and the most charge requests. To keep the grid from overloading, it needs to be carefully managed. Scenario 2 (Off-Peak) offers a chance to charge more cheaply, and Scenario 3 (green) stresses using as much green energy as possible, even though the grid's capacity is slightly lower. These situations show in figure 4 how important it is to have methods that can be changed to work in different situations.

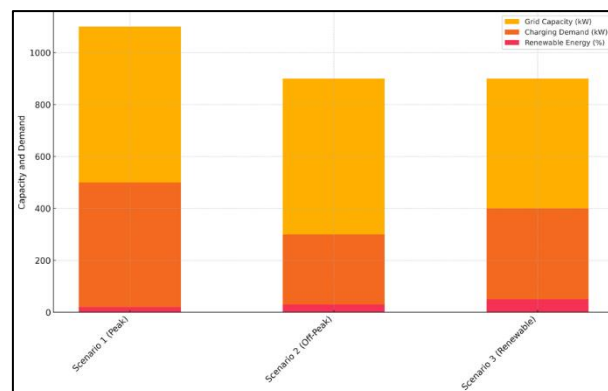


Figure 4: Grid Capacity, Charging Demand, and Renewable Energy

4.3 Simulation Results

The table shows that the differential game model successfully lowers costs in all situations. During off-peak hours, costs are lower than during peak hours. The model also makes it easier to handle the grid's load, especially during peak hours, and it uses a lot more green energy in Scenario 3. The model is able to improve EV charging while meeting a variety of goals because charge efficiency stays high in all situations. The differential game model is a more fair way to solve problems than traditional optimization methods. This is especially true when it comes to integrating green energy and managing grid load.

Table 3: Result for performance parameters such as cost savings, grid load reduction, renewable energy utilization, and charging efficiency

Performance Parameter	Scenario 1 (Peak)	Scenario 2 (Off-Peak)	Scenario 3 (Renewable)
Cost Savings (%)	15	25	20
Grid Load Reduction (%)	10	5	8
Renewable Energy Utilization (%)	18	28	48
Charging Efficiency (%)	85	90	88

The results in Table 3 show how well the differential game theory model works at finding the best ways to charge electric vehicles (EVs) in different situations. The model focuses on key performance parameters like saving money, reducing grid load, using renewable energy, and charging efficiently.

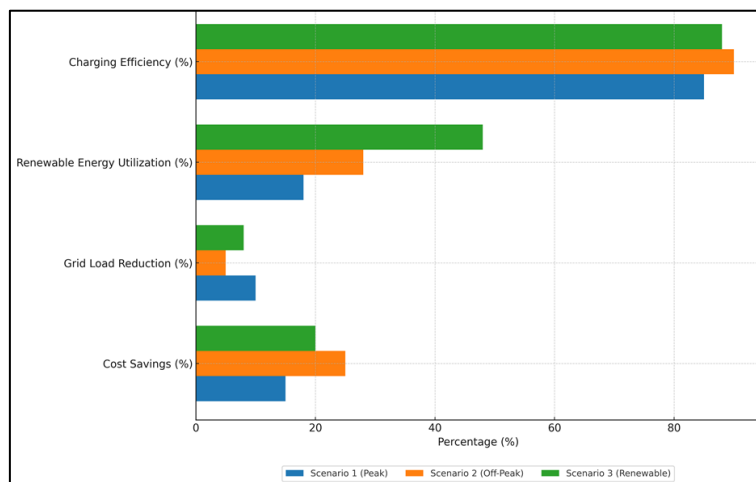


Figure 5: Performance parameters across the three scenarios

Different grid conditions are shown by these examples (Peak, Off-Peak, and Renewable), which show how the model works in different situations. It saves EV users 15% on their energy costs in Scenario 1 (Peak), when both demand and prices are high for electricity. Considering how much more expensive things are during busy hours, this is a big deal, shown in figure 5. The model also helps lower the grid's load by 10%, showing that it can ease the strain on the grid during times of high demand. However, only 18% of energy comes from green sources. This is probably because renewable resources are less available during busy times. In spite of this, the model keeps a high charging rate of 85%, which means it can handle charging processes well even when the grid is busy.

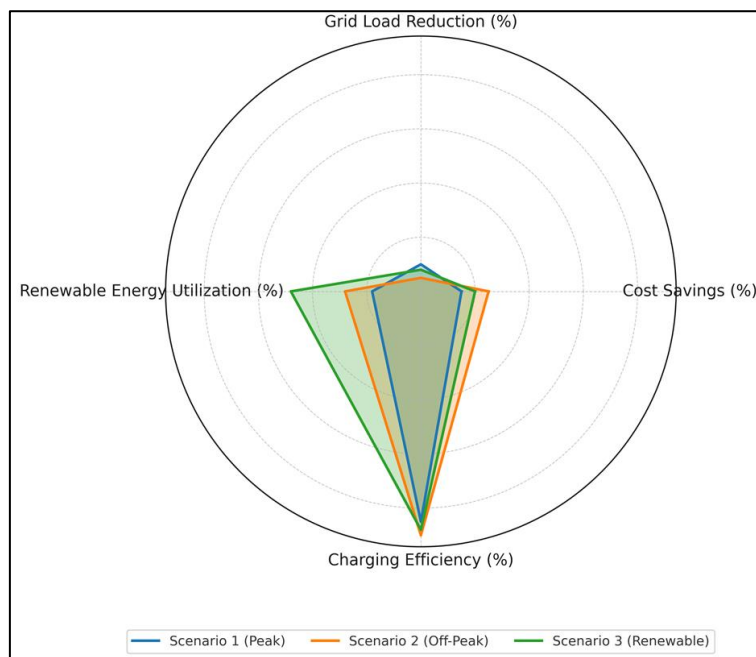


Figure 6: Comparison of different scenario

In Scenario 2 (Off-Peak), when prices and demand are lower, the model does a great job of maximizing costs and saves 25%. The bigger saves are due to lower energy costs and less grid

overcrowding, which makes charging more efficient. The small 5% drop in grid load shows that it is not as important in this case. However, the model greatly improves the use of renewable energy, reaching 28%. It does this by taking advantage of the extra grid capacity and the supply of green resources. Also, the charging efficiency is highest at 90%, which means that the model can fully take advantage of the grid's better conditions during off-peak hours. The model saves 20% on costs in Scenario 3 (Renewable), where the goal is to use renewable energy as much as possible, shown in figure 6. This is possible by combining cost optimization with the use of renewable resources. The 8% drop in grid load shows that the model is focusing on timing charging times with times when green energy is most available, rather than just lowering demand. The most impressive result in this case is the 48% use of renewable energy, which shows that the model is good at selecting green energy sources when they are available. The charging efficiency stays high at 88%, which shows that the model can manage charging efficiently while making the most of green energy.

5. Discussion

5.1 Analysis of Results

The case study results show that differential game theory greatly improves the optimization of charging for electric vehicles (EVs), especially when grid conditions change, like during peak and off-peak hours and when green energy is added. EV users regularly saved a lot of money with this type. They saved the most during off-peak hours, when the price of power was lower. The model also did a good job of managing grid load, which lowered high demand and lowered the risk of grid congestion. When natural energy was available, the model pushed for using green energy, which was in line with larger environmental goals. The charging efficiency stayed high in all of the cases, showing that the difference game model is strong enough to keep working well in a variety of situations.

5.2 Differential Game Theory Improves EV Charging Optimization

Differential game theory models how different players, like EV owners, grid operators, and charging station operators, interact with each other, each with their own goals. This allows for a dynamic and decentralized approach to optimizing EV charging. Differential game theory lets tactics be changed all the time in reaction to changes in the system's state. This is different from traditional optimization methods, which might look at the problem in a more rigid and centralized way. This method makes sure that each agent's plan is the best one, taking into account not only their own actions but also those of the other agents. This results in a more efficient and fair outcome overall. The differential game's Nash equilibrium solutions make sure that no person can improve their own result on their own. This creates a stable and effective charging process that strikes a balance between cost, effectiveness, and grid stability.

5.3 Implications for Smart Grids

When differential game theory is used to look at charging for electric vehicles, it has big effects on how smart grids are managed. This method makes the grid more efficient by lowering high loads and increasing the use of green energy sources by improving charging plans in real time. The case study results showed that the differential game model could greatly raise the amount of green energy in the charging mix. This was especially true when solar or wind power was easily accessible. This not only lowers the carbon footprint of charging electric vehicles, but it also helps keep the grid stable and long-lasting by lowering the use of nonrenewable energy sources. The model's ability to lower high demand also helps with better congestion management. This keeps the grid from becoming overloaded, which can cause blackouts or require expensive upgrades. By balancing out demand, the grid works better, with fewer changes and fewer expensive fixes being needed.

5.4 Policy and Practical Implications

The study's results point out a number of important things that lawmakers and grid operators should think about. First, time-of-use price plans that encourage EV users to charge during off-peak hours or when green energy is most plentiful could be used to support the use of difference game-based charging tactics. Policymakers could also back the building of smart charging infrastructure that lets EVs, charging sites, and grid workers talk to each other in real time. This would make it easier to use differential game tactics. There are also ways to create incentives that would reward actions that help reach goals for grid security and longevity. For example, EV drivers could get money for charging their cars when there is a lot of green energy available or when demand on the grid is low. In the same way, charging station owners could be rewarded for offering prices that change based on the current state of the grid. This would encourage more efficient use of the grid.

In real life, grid workers might think about adding differential game theory to the systems they use to run the grid, especially since the number of electric vehicles (EVs) keeps growing. This method might help handle the rising need for energy from electric vehicles (EVs) while keeping the grid stable and working well. Overall, using differential game theory to improve EV charging is a good sign for the future of smart grids because it allows for a smarter and more flexible way of handling the complicated nature of modern energy systems.

6. Conclusion

Differential game theory can be used to improve the charging experience for electric vehicles (EVs). This creates a flexible and autonomous way to handle the complicated relationships between EV users, grid managers, and charging point operators. This study shows that differential game theory makes charging electric vehicles much more efficient, cost-effective, and long-lasting. This is especially true when grid conditions change, like when demand is high and green energy supplies change. Differential game framework models the strategic decisions of many agents and finds Nash equilibrium solutions. This makes sure that no one person can improve their own outcome without touching others, which results in a fair and optimal system performance as a whole. The case study results show that this method has real-world benefits, such as big cost savings for EV users, less grid congestion, and more use of green energy. These results not only help smart grids work better, but they also help the world by lowering our reliance on energy sources that don't grow back. If differential game theory is used in smart grid management, it could make energy systems more stable and flexible. This has big implications for grid managers and lawmakers. In addition, the study stresses how important it is to create reward systems and laws that support the use of such advanced optimization methods. As more people buy electric vehicles, it's more important than ever to find advanced, flexible methods like differential game theory. Overall, this study lays a solid basis for further study and use of game-theoretic methods to improve the efficiency of charging electric vehicles and other smart grid uses.

References

- [1] Wu, Y.; Ye, N. A Double Layer Multi objective Site Selection and Capacity Determination Model for Electric Vehicle Charging Stations in Urban Road Networks. *J. Shanxi Univ. (Nat. Sci. Ed.)* 2021, 44, 695–704.
- [2] Luo, J.; He, D. Charging Station Location and Capacity Planning Based on Improved Coyote Optimization Algorithm. *Comput. Appl. Res.* 2022, 39, 751–757.
- [3] Zhang, Z.; Wang, Z.; Yang, W. Research on Location Planning of Electric Vehicle Charging Stations Based on Charging Demand Prediction. *Electr. Meas. Instrum.* 2022, 1–19.
- [4] Ren, X.; Zhang, H.; Hu, R. Location of Electric Vehicle Charging Stations: A Perspective Using the Grey Decision-making Model. *Energy* 2019, 173, 548–553.
- [5] Wang, C.; Gao, Z.; Yang, P.; Wang, Z.; Li, Z. Electric Vehicle Charging Facility Planning Based on Flow Demand—A Case Study. *Sustainability* 2021, 13, 4952.

- [6] Ashfaq, M.; Butt, O.; Selvaraj, J.; Rahim, N. Assessment of electric vehicle charging infrastructure and its impact on the electric grid: A review. *Int. J. Green Energy* 2021, 18, 657–686.
- [7] Cui, Y.; Hu, Z.; Duan, X. Optimal Pricing of Public Electric Vehicle Charging Stations Considering Operations of Coupled Transportation and Power Systems. *IEEE Trans. Smart Grid* 2021, 12, 3278–3288.
- [8] Su, W.; Chow, M.Y. Performance evaluation of an EDA-based large-scale plug-in hybrid electric vehicle charging algorithm. *IEEE Trans. Smart Grid* 2021, 3, 308–315.
- [9] Zhang, Y.; Zhou, Y.; Jiang, C.; Wang, Y.; Zhang, R.; Chen, G. Plug-in Electric Vehicle Charging with Multiple Charging Options: A Systematic Analysis of Service Providers' Pricing Strategies. *IEEE Trans. Smart Grid* 2021, 12, 524–537.
- [10] Helmus, J.R.; Lees, M.H.; Hoed, R.V.D. A data driven typology of electric vehicle user types and charging sessions. *Transp. Res. Part C: Emerg. Technol.* 2020, 115, 102637.
- [11] Zhang, Q.; Sun, T.; Ding, Z.; Li, C. Nodal dynamic charging price formulation for electric vehicle through the Stackelberg game considering grid congestion. *IET Smart Grid* 2021, 4, 461–473.
- [12] Moschella, M.; Murad, M.A.A.; Crisostomi, E.; Milano, F. Decentralized Charging of Plug-In Electric Vehicles and Impact on Transmission System Dynamics. *IEEE Trans. Smart Grid* 2020, 12, 1772–1781.
- [13] Choobineh, M.; Arabnya, A.; Khodaei, A.; Zheng, H. Game-theoretic peer-to-peer solar energy trading on blockchain-based transaction infrastructure. *Adv. Electr. Eng. Electron. Energy* 2023, 5, 100192.
- [14] Goudarzi, A.; Li, Y.; Fahad, S.; Xiang, J. A game theory-based interactive demand response for handling dynamic prices in security-constrained electricity markets. *Sustain. Cities Soc.* 2021, 72, 103073.
- [15] Mousavizadeh, S.; Haghifam, M.-R.; Shariatkhah, M.-H. A linear two-stage method for resiliency analysis in distribution systems considering renewable energy and demand response resources. *Appl. Energy* 2018, 211, 443–460.
- [16] Chawal, U.; Rosenberger, J.; Chen VC, P.; Lee, W.J.; Wijemanne, M.; Punugu, R.K.; Kulvanitchaiyanunt, A. A design and analysis of computer experiments based mixed integer linear programming approach for optimizing a system of electric vehicle charging stations. *Expert Syst. Appl.* 2024, 245, 123064.
- [17] Adouani, Y.; Masmoudi, M.; Jarray, F.; Jarboui, B. Iterative integer linear programming-based heuristic for solving the multiple-choice knapsack problem with setups. *Expert Syst. Appl.* 2024, 242, 122835.
- [18] Selvam, S.K.; Rajendran, C.; Sankaralingam, G. A linear programming-based bi-objective optimization for forecasting short univariate time series. *Decis. Anal. J.* 2024, 10, 100400.
- [19] Zhou, X.; Zou, S.; Wang, P.; Ma, Z. Voltage regulation in constrained distribution networks by coordinating electric vehicle charging based on hierarchical ADMM. *IET Gener. Transm. Distrib.* 2020, 14, 3444–3457.
- [20] Hu, X.; Zhang, K.; Liu, K.; Lin, X.; Dey, S.; Onori, S. Advanced Fault Diagnosis for Lithium-Ion Battery Systems: A Review of Fault Mechanisms, Fault Features, and Diagnosis Procedures. *IEEE Ind. Electron. Mag.* 2020, 14, 65–91.
- [21] Paraskevas, A.; Aletras, D.; Chrysopoulos, A.; Marinopoulos, A.; Doukas, D.I. Optimal Management for EV Charging Stations: A Win–Win Strategy for Different Stakeholders Using Constrained Deep Q-Learning. *Energies* 2022, 15, 2323.
- [22] Yan, X.; Song, M.; Cao, J.; Gao, C.; Jing, X.; Xia, S.; Ban, M. Peer-to-Peer transactive energy trading of multiple microgrids considering renewable energy uncertainty. *Int. J. Electr. Power Energy Syst.* 2023, 152, 109235.
- [23] Chen, B.; Che, Y.; Zhou, Y.; Zhao, S. Day-ahead optimal peer-to-peer energy trading strategy for multi-microgrids based on Nash bargaining game with data-driven chance constraints. *Sustain. Energy Grids Netw.* 2023, 36, 101192.
- [24] Gunarathna, C.L.; Yang, R.J.; Jayasuriya, S.; Wang, K. Reviewing global peer-to-peer distributed renewable energy trading projects. *Energy Res. Soc. Sci.* 2022, 89, 102655.
- [25] Liu, W.; Xu, H.; Wang, X.; Zhang, S.; Hu, T. Optimal dispatch strategy of virtual power plants using potential game theory. *Energy Rep.* 2022, 8, 1069–1079.