



Status Report on FERC National Assessment of Demand Response

**NARUC-FERC Demand Response Collaborative
February 15, 2009**

Ray Palmer

Office of Energy Market Regulation
Federal Energy Regulatory Commission

The author's views do not necessarily represent the views of the Federal Energy Regulatory Commission

Statutory Requirements

Section 529 of Energy Independence & Security Act of 2007 creates a new Section 571 of the National Energy Conservation Policy Act that requires FERC to:

- Conduct a **National Assessment of Demand Response**
 - Due by June 17, 2009
- Develop a **National Action Plan on Demand Response**
 - Due by June 17, 2010
- With DOE, submit National Action Plan **Implementation Proposal** to Congress
 - Due by December 17, 2010

National Demand Response Assessment: Required Tasks

- Estimate nationwide DR potential, *including data on State-by-State basis* for 5 and 10 year horizons
- Estimate how much of this potential can be achieved by adopting specific policy recommendations
- Note barriers to DR and recommend policies to overcome these barriers
- Use pre-existing/ongoing research

National Demand Response Assessment: Contractor Solicitation

- RFP issued to pre-qualified contractors in April, 2008
- 4 finalists made presentations in May, 2008
- In June, 2008, contract awarded to team headed by the Brattle Group
 - Team included Global Energy Partners, and Freeman, Sullivan and Co.

National Demand Response Assessment: Contract Tasks

- Task 1: Review and synthesize previous research on DR potential
- Task 2: Summarize prior analyses of barriers to demand response
- Task 3: Develop methodology and analytic models
- Task 4: Collect and store data
- Task 5: Calculate DR potential, including sensitivity cases
- Task 6: Write draft and final reports

National Demand Response Assessment: Current Status

- Tasks 1, 2, and 3 complete
 - Some ongoing tinkering with model
- Task 4 has been difficult – especially getting good data for all States – using regional data for some
- Task 5 can be done quickly
- Task 6 is already partly done from memos written for each task
- In addition, FERC staff will write policy recommendations

National Demand Response Assessment: Summary

- The Assessment will be presented to Congress on time in June, 2009
- In addition to quantitative analysis, there will be qualitative discussion of emerging DR subjects
- State-by-State data will provide research findings for each State
- Model will be transparent and available to the public

Questions?

Contact Info:

Ray Palmer
ray.palmer@ferc.gov
202-502-6569