

National Demand Response Assessment & National Action Plan on Demand Response

**NARUC-FERC Demand Response Collaborative
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Federal Energy Regulatory Commission

Demand Response 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

Demand Response Assessment

Subsection 571(a) of the National Energy Conservation Policy Act requires FERC to:

- **Conduct a National Assessment of Demand Response**
 - Estimate nationwide demand response potential in 5 and 10 year time horizons, including data on a State-by-State basis
 - Also including a methodology for annual updates
 - Estimate how much of this potential can be achieved within 5 and 10 years
 - Policy recommendations that will include funding and/or incentives
 - Note any barriers to demand response programs and provide recommendations to overcome these barriers
 - Take advantage of preexisting research and ongoing work, and insure that there is no duplication of effort

Solicitation for Contractor

- Conducted limited competitive procurement for contractor
- Four teams/entities submitted proposals and gave presentations
- FERC chose team with Brattle Group as lead, supported by Global Energy Partners and Freeman, Sullivan & Co
 - Ahmad Faruqui of Brattle is overall principal investigator and project manager;
 - Ingrid Rohmund heads Global team;
 - Steve George heads Freeman, Sullivan team

Present Status of Assessment

- Chairman Kelliher sent letters to Chairs of State regulatory agencies, RTOs and NERC explaining project and requesting assistance for data gathering
- Contractor will coordinate with KEMA team performing project for DR Collaborative
- Contract has started and literature review, coordination, and data gathering are underway

Milestones for Completion

- Draft final report to be completed by March 31, 2009, with comments due by April 30, 2009
- Comments will be sought from members of DR Collaborative
- Final report to be completed by May 31, 2009

National Action Plan on Demand Response

Subsections 571 (b) and 571 (c) of the National Energy Conservation Policy Act require FERC to:

- Develop a **National Action Plan on Demand Response**
 - Solicit input and participation from broad range of stakeholders
 - Including industry, state utility commissioners, and non-governmental groups
 - Identify requirements for technical assistance to states
 - Identify requirements for a national communications program
 - Identify analytical tools and other support material

- Publish the **Demand Response National Action Plan**
 - Include favorable and dissenting comments
 - Due by June 17, 2010

- With DOE, submit National Action Plan **Implementation Proposal** to Congress
 - **Due by December 17, 2010**

Demand Response National Action Plan

Phase I Work Scope

- Outreach discussions w/ major stakeholders
- Identify existing resources, programs, tools, and measures
- Develop Preliminary Demand Response National Action Plan (“National Action Plan”)
- Solicit input on Preliminary National Action Plan from stakeholders
- Revise Preliminary National Action Plan based upon:
 - Stakeholder input
 - Information provided by concurrent DR National Assessment
- Release Preliminary National Action Plan for comment

Demand Response National Action Plan

Phase II Work Scope

- Conduct National Action Plan Technical Conference
- Develop “optimal solutions” where no consensus found
- Prepare and publicly circulate Draft National Action Plan
 - Gather comments
- Publish Final National Action Plan
 - Incorporate favorable and dissenting comments
 - By June 2010
- Submit to Congress, with DOE, proposal to implement National Action Plan
 - By December 2010

DR National Action Plan

Key Issues for Outreach and Input

- Identify requirements for technical assistance to states
 - What information and tools do states need?
 - How should technical assistance be targeted?
- Identify requirements for a national communications program
 - What is the best way to educate customers?
 - How should a national communications program be designed?
- Identify analytical tools and other support material
 - What tools are needed?
 - What tools are currently available?
 - What tools need to be developed?

Questions?

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