

# National Action Plan on Demand Response

**Mid-Atlantic Distributed Resources Initiative**  
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*The author's views do not necessarily represent the views of the 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

# 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
  - Design and 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

## Timeline

- Initial Outreach completed
- Develop Straw Demand Response National Action Plan (“National Action Plan”)
  - Under Development
- Solicit input on Straw National Action Plan from stakeholders
- Prepare and Release Draft National Action Plan for comment based upon:
  - Stakeholder input on Straw National Action Plan
  - Information provided by concurrent DR National Assessment
- Conduct National Action Plan Technical Conference
- Prepare and publicly circulate Draft National Action Plan
  - Gather comments
- Publish Final National Action Plan
- Submit to Congress, with DOE, proposal to implement National Action Plan

# DR National Action Plan Objectives

## Technical Assistance to States

- What elements should be included?
  - Develop white papers on demand response issues important to states
  - Develop training or briefing materials for state officials
  - Conduct training sessions, at the national level or targeted to each state
  - Create speakers bureau
  - Grants to support state-specific research or training
  - Design and construct website that will serve as central repository of demand response information, pilot program results, compendium of “lessons learned”
  - Assistance in applying demand response national communications program design and messaging to individual states

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# DR National Action Plan Objectives

## National Communications Program

- What elements should be included?
  - Establishment of an unambiguous definition of what a “successful” communications program will accomplish
  - Development of clear and specific communications messages and vehicles focused on key target audiences (state legislatures, regulatory commissions, ratepayers, etc.)
  - Design of the requirements for broad-based customer education and support
    - Mass media
    - Development of partnerships with key constituencies
  - Identification of resource needs for successful implementation

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# DR National Action Plan Objectives

## Analytical Tools and Support Materials

- What elements should be included?
  - Identification of analytical tools
    - Methodologies for identifying demand response potential
    - Cost-effectiveness tools of demand response and AMI
    - Measurement, verification and evaluation methods
    - Evaluation tools for consumers for the assessment of demand response options and technologies
    - Methods for the incorporation of demand response into resource planning
    - Risk management tools that allow demand response to serve as a hedge against high prices
    - Wholesale market valuation techniques

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# DR National Action Plan Objectives

## Analytical Tools and Support Materials

- What elements should be included?
  - Identification of model regulatory provisions, model contracts and other support materials
    - Model tariffs
    - Model state statutes
    - Successful examples of the coordination of retail and wholesale market designs and regulations
    - Cost-effectiveness of demand response and AMI
    - Open protocols for measurement, verification and evaluation and meter data access
    - Policy and regulatory lessons learned from pilots

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# DR National Action Plan Objectives

- What other elements should be included?

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# Questions?

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