



BPA Energy Efficiency Announcement:
BPA seeks Demand Response pilot program partners

November 25, 2008

Bonneville Power Administration (BPA) is seeking partners for Demand Response (DR) pilot programs. An Advanced Direct Load Control pilot program will launch in early 2009, with additional pilots conducted through 2011. Utilities interested in learning more or participating in the programs are asked to [complete a brief survey](#) by Dec. 8, 2008.

Why Demand Response?

BPA forecasts a constrained capacity in the five-to-10 year planning horizon, which could result in higher market prices. BPA has integrated a demand charge in the post-2011 rate structure as a price signal reflecting the projected value of capacity. Demand Response is one tool utilities can use to mitigate this charge.

BPA has initiated a Resource Program to develop a plan, to be completed in September 2010, which uses a forecasting model to look at both supply-side and demand-side options to meet the region's future load growth. The plan will identify BPA's least-cost, least-risk portfolio of supply- and demand-side options for the 20-year planning horizon. The Resource Program will evaluate Demand Response as one option to address the projected capacity shortage.

Pilot Program Overview

Demand Response is a new initiative for most utilities in the region. BPA would like to collaborate with selected utility customers in a series of pilot projects with substantial engagement on the local level, including program design and verification, outreach to customers and coordination with Trade Allies and other stakeholders.

The pilot projects will be conducted in multiple sectors. In addition to the Advanced Direct Load Control pilot launching in early 2009, additional pilot programs under consideration include Emergency/Capacity Market (large commercial/industrial), Dynamic Energy Use and Wind Integration.

About the Survey

BPA is currently seeking utility partners for the Advanced Direct Load Control (DLC) pilot. Utilities interested in participating in the 2009 Advanced DLC future DR pilots are asked to complete a brief, 10-minute survey by Dec. 8, 2008. The responses to this survey are for information-gathering purposes only and are considered non-binding. The survey can be found at:

www.surveymonkey.com/s.aspx?sm=t2pPxaZ_2bWVI_2fDh2y_2bfIT5Q_3d_3d

Contact Pam Sporborg (503-230-3170, pjsporborg@bpa.gov) if you have difficulty accessing the online tool. If you are unable to complete the survey by Dec. 8, please contact Pam Sporborg by Dec. 5, 2008.

Selection Criteria

Because BPA expects utility partnership interest in the Advanced DLC pilot to exceed current ability to staff and fund such projects the following selection criteria will be used to identify pilot partners:

- **Dedicated Staff.** Utility partners must be able to contribute in-house staff for local project management.
- **Co-Funding.** BPA expects utility partners to co-fund a portion of the project costs. However, BPA recognizes that many utilities have already set their 2009 budgets; therefore, BPA will consider co-funding over a 2-year project timeframe.
- **Commitment to a 50% installation rate by July 1, 2009,** with 100% installation by Sept. 30, 2009. BPA will conduct preliminary test events during the 2010 winter heating season in January/February, gathering a full year of data for FY 2010. This will require a significant utility partner commitment of time and resources in winter/spring 2009 to recruit customers, train contractors and install equipment.
- **Advanced Metering Infrastructure (AMI) or Communications System.** Utility partners must have the ability to communicate with their customers in hourly increments (at a minimum) through either a 2-way AMI system or other communications medium (radio, wireless, etc). Technologies that allow communication closer to real-time will be prioritized for selection as a pilot participant.
- **Geographic Diversity.** If more than one utility is selected, BPA will implement this pilot program in a variety of heating and cooling zones.

BPA will work collaboratively with the selected utility partner(s) to finalize program design and identify appropriate technology vendors and installation contractors. BPA and the utility partner will sign a Memorandum of Understanding detailing these decisions and conditions.

Projected Timeline:

Dec. 4, 2008	Brown Bag Q&A. Noon. Contact your Energy Efficiency Representative for additional information.
Dec. 8, 2008	Survey of interest due
Dec. 15, 2008	Preliminary interviews completed
Jan. 15, 2009	Final selection of utility partners
Jan. 15-Mar. 1, 2009	Design phase
Mar.1, 2009	Advanced Direct Load Control pilot program implementation phase begins

For more information contact Pam Sporborg (503-230-3170, pjsporborg@bpa.gov) or your Energy Efficiency Representative:

Tom Hannon, 509-625-1360, tkhannon@bpa.gov
Margaret Lewis, 503-230-7552, mllewis@bpa.gov
Lloyd Meyer, 503-230-7557, lcmeier@bpa.gov
Rosalie Nourse, 509-625-1368, rnourse@bpa.gov
Melissa Podeszwa, 206-220-6772, mjpodeszwa@bpa.gov
Mark Ralston, 503-230-3175, mdralston@bpa.gov
Boyd Wilson, 509-527-6217, bwilson@bpa.gov