Northwest **Power** and **Conservation** Council

Minutes for Demand Response Advisory Committee
March 6, 2026

Joe Walderman, NWPCC, began the meeting at 9:30. Kevin Smit, NWPCC, took attendance.

Demand Response Regional Roundup
Brenda Hunt, NEEA, asked if the numbers on [Slide 5] represented summer or winter DR. Walderman was not sure and offered to research and report back. Hunt cautioned that it mattered as heating load profiles make a big difference. Walderman called that a good point.

DR Share Out [Slide 7]
Puget Sound Energy
Brittainy Pond, Puget Sound Energy, reported that PSE had 12 programs that touch every customer segment including residential, small, medium, and large commercial, and industrial. Programs include smart thermostats, water heaters, batteries, and EVs. Pond said the portfolio holds more than 100MW normalized over winter and summer.

Pond explained that PSE continues to expand, pointing to a new small/medium business behavior program launched in December 2025. She said their target is driven by the Decarbonization Act (ESSB 5445) which puts the utility at a goal of 10% of historical peak or 500MW in the next three to five years.

Pond admitted that this goal is a steep climb as the utility finds ways to get meet it. She said needs are driven by regulatory targets and her department is working with the load office team to shape the portfolio to meet balancing system needs. Pond said the utility is learning to navigate the intricacies of operationalizing the programs, adding that it touches every piece of PSE's operations.

Idaho Power
Quentin Nesbitt, Idaho Power, noted Idaho Power's strong summer DR programs, adding that there might be some winter need coming. He explained that the utility's DR need is defined by high-risk hours and not peak load. Nesbitt pointed to a new bring-your-own-thermostat (BYOT) program, adding that it is more expensive than the AC cycling program in use now.

Nesbitt said DR has been in Idaho Power's IRP for over 20 years, calling it a unique resource targeted to high-risk hours. He said the utility is operating 330MW of capacity and is looking to add 10MW by 2029. He admitted that the value proposition is challenging, especially as utility-scale batteries come online. Because of this, Nesbitt said the future value of DR is questionable.

For lessons learned, Nesbitt reported that the utility is always looking at economic value, the need for DR, and knowing the customer. He said they primarily rely on irrigation, calling C&I harder to get.

Hunt asked Nesbitt about winter issues with transmission. Nesbitt said winter hydro produces less so there is a lot more reliance on solar and wind. Because of this, he explained, an overcast winter day with no wind creates more high-risk hours. Nesbitt added that a new SW intertie transmission line would solve that.

Smit asked if there is a risk of Idaho Power losing their incremental DR or the 330MW. Nesbitt said the utility isn't yet sure how to think about that. He said he thinks of DR as a leasable resource, wondering if you still lease that resource as it gets more expensive.

PacifiCorp

Laura James, PacifiCorp, said they have programs everywhere but California. She said most states have five active programs: C&I, irrigation, load control switch for residential AC, batteries, and EV charging. James anticipates significant growth across all over the next three to four years. James reported that Oregon and Washington should double capacity by 2028-29, adding that there are 20MW of capacity in Oregon today.

James explained that her utility splits capacity between peak load management and fast-response grid management needs like contingency reserves. She said the utility has 450MW of peak capacity with the biggest chunk coming from residential air conditioning programs (300MW) and irrigation (150MW).

James admitted that valuation remains challenging as avoided costs go up instead of down. She said it is unclear why this is happening, but has a big effect nonetheless. James sees future potential in C&I and batteries, pointing to challenges in getting these resources.

Clark PUD

Matt Babbitts, Clark PUD, pointed to Clark's two DR programs: residential EV managed charging and an industrial load-shed program with day-ahead notice. He reported that the programs are serving the utility's needs, especially as they shift to a BPA load-following contract. Babbitts explained this type of contract, where customers pay a monthly charge based on peak power demand. He said this makes the evaluation process easier as the utility knows the exact amount of avoided demand charge but admitted that it makes forecasting challenging.

Babbitts said they have 11-12MW of total capacity now, with achievable targets in the clean energy implementation plan and no plans beyond that. He noted that the utility is working with NEEA to build out a robust utility marketplace for EE products and eventually more DR products like smart thermostats and HVAC.

Babbitts stated that these programs have been running since 2024, calling them early stage. He pointed to a problem with using third party vendors like Optiwatt to managed EV charging as

many automakers are not allowing these parties to manage their vehicles. Babbitts said this caused the utility to lose a large group of participants.

Walderman asked if this phenomenon is specific to Optiwatt or if auto manufacturers are doing this with all third-party managers. Babbitts thought this applied to all third-party managers as over communications drains the battery.

Pond noted that she has a pilot with ChargeScape and offered to connect offline.

Rob Del Mar, ODOE, said he was curious about the economics of DR for consumer-owned utilities and how demand charges stack up at BPA. He wondered if Clark PUD published an annual report that showed BPA's peak demand charges and how DR compares to percentage of peak load. Babbitts did not know of such a report but offered to look. Babbitts said there will be some internal analysis after the first year when the contract ends.

Zeecha Van Hoose, Clark PUD, added that Clark levelized out the BPA charges for industrial to make estimates on program economics. She said they cut Clark's primary demand charge in half for the value. Van Hoose did not think the value of the program is the barrier to participation.

BPA

Frank Brown, BPA, reported that Bonneville doesn't have any new, robust, DR programs. He said BPA is considering DR for power business use cases for the 2027 resource program but had no conclusions or needs to report.

Brown said the problem is there are no near-term capacity needs so conventional DR has limited value. He admitted that might change in 15 years, but that doesn't call for investment today.

Brown said BPA promotes two voltage reduction programs: full-time voltage reduction and part-time voltage reduction. He explained that the part-time program was still every day but not every hour.

Tom Eckhart, UCONS, clarified that BPA sees no limitations on their demand capacity. Brown said yes, for the near term according to last year's IRP. Brown said this will be tested with extreme weather and different water assumptions in the next round.

Eckhart pointed to editorials in the Seattle Times that point to a BPA capacity shortage. Brown said BPA remains blessed with three reservoirs that keep them capacity rich—at least for now.

Avista Corp

Leona Haley, Avista Corp, said her utility doesn't have nearly as much DR but pointed to a commercial EV time-of-use (TOU) rate that customers like. Haley then spoke of a contract with a 30MW industrial customer that is leveraged as needed. She mentioned a few pilots: TOU rebate, that is ending on May 31 and an EV charging pilot that has little uptake.

Haley said their recent IRP identified the need for additional capacity and there is a 25MW target in their clean energy implementation plan. She said two venders have been selected to meet the target: a third-party industrial DR aggregator and a bring-your-own-thermostat (BYOT) program.

Haley agreed that valuation is an ongoing discussion. She also pointed to increasing costs from OEMs, calling it challenging.

Seattle City Light
Patrick Hermann, Seattle City Light, reported launching a large industrial curtailment program with over 50MW in capacity. He reported that the utility paused their BYOT pilot and are pivoting to designing a virtual power plant with automated DR options. Hermann said a TOU program for residential, small, and medium business customers will be launched later this year, something large and high demand business customers have since the 1980s. Hermann added that this program will contain an EV charging program.

Hermann pointed to IRP and long-term planning needs. He said the 2024 IRP identified 36MW of DR and 15MW of TOU. Hermann stressed that the utility hit 30-year system records for the past three years. He noted seeing increased volatility in the power market, making industrial curtailment more important for reducing exposure. Hermann also spoke about meeting CETA targets of 12MW by 2028.

Hermann said that value proposition remains challenging as does foundational gaps like staffing up. He again spoke about great successes in getting winter/summer/emergency resources. Hermann stressed that for success it's important to make sure IRP planners and power traders are your best friends, suggesting buying them pizzas as you integrate them into everything your group is doing. He also suggested phasing programs in.

Tacoma Power
Anthony Fontanini, Tacoma Power, said their water heater pilot finished and the utility learned a lot. Moving into the 2027/28 plan, he said Tacoma Power will have more programs like industrial curtailment, retro commissioning, water heater programs, residential batteries, and residential thermostats.

Fontanini said valuation is mostly coming from the WRAP, adding that the biggest challenge is pivoting conservation-focused staff into a DR mindset.

NEEA
Brenda Hunt said NEEA is concluding a two-year project of working with 10 utilities to transform the load flexibility space. She said the board approved moving forward with this work and plans to increase connectivity with existing loads to increase performance and meet northwest needs. Hunt said they are also examining metrics to establish discipline in valuing this resource.

Finnigan wrote: City Light has learned a TON from the NEEA Load Flex special project. We encourage others to join in!, in the question pane.

Haley wrote: Agree with Jennifer! The learnings from the NEEA Load Flex project are invaluable!, in the question pane.

Hunt wrote: Thank you Jennifer and Leona. We appreciate the partnership of all the participating utilities to collectively grow load flex as a resource., in the question pane.

BREAK

Walderman said there was no representative from PGE on the call. He reported that the utility is focused on their virtual power plant which contains a BYOT program, an EV charging pilot which turned into a program, a multifamily water heating program, behavioral programs, price-based programs, and batteries. Walderman said this totals between 100-110MW.

Walderman reported that much of PGE's DR strategy is driven by easing transmission limitations, growth issues, and impacts from increasingly volatile weather.

Final 9th Plan Demand Response Binning Strategy, Scenarios, and Supply Curves

Finnigan asked what "changes in hydro operations" means [Slide 7]. Tomás Morrissey, NWPCC, said it's about altering hydro spill timing and a change in river operations. He offered to send over a slide deck that would explain further.

Nesbitt confirmed that the costs on [Slide 10] are from a total resource cost test perspective and does not include the incentive. Walderman said yes.

Finnigan asked how the product mix changed between Plans. Walderman pointed to more batteries, DR, a few different EV charging options, and two thermostat programs.

Scott Reeves, Energy Futures Group, asked about line loss assumptions [Slide 11] and if staff are using an average marginal value or peak marginal value. Smit pointed to a study and a line-loss update based on utility contracts. Smit said the conservation side has line-loss built in and offered to find more information. Reeves said he saw those slides saying they looked like average marginal value. Reeves cautioned that system average could be three times higher at peak.

Considerations for 9th Plan Demand Response Research and Recommendations

Finnigan asked how the 9th Plan supply curves compare to the 2021 Plan. Walderman shared that staff see more EV charging potential and program start-up cost increases. Smit suggested a slide that plots both Plans on one graph. Finnigan called that very useful.

Finnigan then admitted she was very curious about the BA's in this Plan, asking for previews. Smit said the modeling team is working on it now and there should be some results in April.

Finnigan then asked about assumptions around event duration. Walderman said there will be hourly granularity in this Plan which will yield good results. Walderman said they had to choose a

proxy number that was based on what a given DR product could yield, adding that water heating and EV charging had longer durations (about six hours) while thermostats had about three.

Smit said that Kyle Chase, Jefferson PUD, brought this to staff's attention [Slide 4].

Del Mar asked about vehicle-to-grid services, saying a statement from the Council would help ODOE answer a lot of questions. Walderman said that will be in the emerging resource narrative in the Plan's appendix. Del Mar agreed that time of charging is the biggest and best resource right now.

Josh Rushton, RTF Contract Analyst, agreed that delaying charge is a good option and a clear source of potential value.

Pond added that PSE is investigating this pointing to northeast utilities that have done some managed charging.

Rushton asked if distribution constraints will have a home in the Plan. Smit said that will have to come externally as the models are already running.

Nesbitt said Idaho Power is also interested in watching this issue adding that they have the data that makes it easy to look at transformer size. Nesbitt labeled TOU rates that are not economically based concerning.

Hunt asked, Can you please talk more about evaluating energy efficiency and load flexibility in a combined way?, in the question pane. Smit wrote, I will find and send a link to the work the RTF has done last year. They hired a consultant to try to find a methodology to estimate the flexibility value for EE measures.

Hermann wrote, When we say research, can we be more specific? For example, EPRI and others do research on V2X., in the question pane. Smit said recommendations would be specific to the region and broad. Smit added that research would not be duplicated.

Hermann said that SCL is creating a policy for large loads [Slide 5] while tracking what is happening on the state level. Hermann said it looks like it is falling back on the utilities to create an official policy. Hermann said the Rate Payer Protection Pledge asks that they bring their own generation online.

Nesbitt said discussion on this has been minimal beyond asking for flexibility. Nesbitt reported that the answer is usually no.

Kasey Curtis, Puget Sound Energy, asked for more information from Hermann. Hermann said utilities were waiting to see if Washington State would implement any requirements, but it seems like that is not going to happen. Haley wrote, It was WA State HB 2515 that failed to proceed on Monday. in the question pane.

Jeff Harris, NEEA, highlighted the distribution implications of electrifications and DR [Slide 6], calling the EV managed case a good example but not the only option. Harris thought it would be good for the Council to look in the potential value proposition to the distribution system world. Rushton wrote, For distribution benefit valuation, Argonne Lab has a paper on this topic (though I haven't been able to lay my hands on it so far). In the question pane.

Walderman ended the meeting at 12:00.

Attendees via Zoom Webinar

Kevin Smit	NWPCC	Molly Morgan	WA UTC
Joe Walderman	NWPCC	Mark Jerome	CLEAResult
Jennifer Snyder	WA UTC	Paul Koenig	WA UTC
Robin Maslowski	Trillium Energy	Scott Reeves	Energy Futures
Hayden Reeve	PNNL	Patrick Hermann	Seattle City Light
Kasey Curtis	Puget Sound Energy	Ted Light	Lighthouse Energy
Brittainy Pond	Puget Sound Energy	Laura James	PacifiCorp
Jeff Harris	NEEA	Leona Haley	Avista Corp
Rebecca Cottrell	Idaho PUC	Andrew Grant	Cadmus
Aquila Velonis	Cadmus Group	Zeecha Van Hoose	Clark PUD
Frank Brown	BPA	Rob Del Mar	ODOE
Jimena Diaz-Duran	Seattle City Light	Quentin Nesbitt	Idaho Power
Robert Ferguson	independent	Stephanie Price	Puget Sound Energy
John Purvis	Clallam PUD	Elizabeth Osborne	WA Dept of Commerce
Emma Taylor-Chapman	Puget Sound Energy	Ryan Bottem	Public Generating Pool
Anthony Fontanini	Tacoma Power	Tom Eckhart	UCONS
Matt Babbitts	Clark PUD	Josh Rushton	RTF CAT
Nick Manning	WA Dept of Com	Tomás Morrissey	NWPCC
Brenda Hunt	NEEA	Laura Thomas	RTF
Jennifer Finnigan	Seattle City Light		